

Finally, we have expressly instructed our ambassadors in various countries, including Chile, to bring to the attention of the local authorities the relationship perceived by the Congress between human rights issues and U.S. assistance programs as it finds expression in Section 32 of the Foreign Assistance Act.

I hope you will call on me if we can be of further assistance.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional
Relations.

COMMITTEE OF FOREIGN AFFAIRS,
Washington, D.C., October 17, 1974.

HON. LINWOOD HOLTON,
Assistant Secretary of State for Congressional
Relations, Washington, D.C.

DEAR MR. HOLTON: Thank you for your reply of October 15, 1974 to my letter of October 1 concerning Chile.

Unfortunately, your reply, while addressing the general subject of human rights in Chile, does not answer the question I asked. That is, is the report which appeared in the September 27, 1974 New York Times concerning a rebuke of Ambassador Popper essentially accurate?

I would appreciate an answer to this question.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on the Near
East and South Asia.

DEPARTMENT OF STATE,
Washington, D.C., November 11, 1974.

HON. LEE H. HAMILTON,
Chairman, Subcommittee on the Near East
and South Asia Committee on Foreign
Affairs, House of Representatives, Wash-
ington, D.C.

DEAR MR. CHAIRMAN: Thank you for your

letter of October 17 with further reference to our policy with regard to human rights in Chile.

As I stated in my letter to you of October 15, our Ambassador to Chile has received numerous instructions to bring to the attention of the appropriate Chilean authorities our views on human rights. We have consistently encouraged and supported his efforts to keep the Chilean Government alert to the importance we and the Congress attach to their observance.

With respect to the New York Times story, there was no communication with Ambassador Popper on any issue arising from his and Army Secretary Callaway's July 22 conversations with the Defense Minister of Chile. There was an internal exchange on an earlier occasion, but I would note in this regard that while we are wary of appearing to lecture other nations about how to structure their political systems, we would never reprimand any of our ambassadors for reflecting this country's genuine and long-standing concern about human rights.

I hope you will call on me again if I can be of further assistance.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional
Relations.

NOVEMBER 15, 1974.

HON. LINWOOD HOLTON,
Assistant Secretary of State for Congressional
Relations, Department of State, Wash-
ington, D.C.

DEAR GOVERNOR HOLTON: Thank you for your reply of November 11, 1974 to my letter of October 17 concerning Chile.

Your letter raises two more questions which I would like you to answer. First, are you labeling the New York Times story of September 27, 1974 false? And second, you indicate in your reply that there "was an internal exchange on an earlier occasion." I would like

to know the nature and substance of that exchange, the precise circumstances surrounding it, and the persons involved in the exchange.

I appreciate your consideration of this additional matter.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on the Near
East and South Asia.

DEPARTMENT OF STATE,
Washington, D.C., December 6, 1974.

HON. LEE H. HAMILTON,
Chairman, Subcommittee on the Near East
and South Asia Committee on Foreign
Affairs, House of Representatives, Wash-
ington, D.C.

DEAR MR. HAMILTON: Thank you for your letter of November 15 with further reference to our policy with respect to human rights in Chile.

The Department has already expressed its views publicly on the disclosure of the "internal State Department exchange" to which you have referred, and we do not feel that any further discussion of this subject would be productive. Nor do we wish to characterize the New York Times story of September 27. However, I can assure you that the Department is continuing its efforts to keep the Chilean Government alert to the importance we and the Congress attach to the observance of human rights everywhere. Ambassador Popper has received numerous instructions to this effect and we have consistently encouraged and supported his efforts to carry them out.

I hope you will call on me again if I can be of further assistance.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional
Relations.

SENATE—Saturday, December 14, 1974

The Senate met at 9 a.m. and was called to order by Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, grant that whatever happens in this Chamber on this day, we, Thy servants, may be kept under the shelter of Thy grace. If we have hard problems to solve, help us to ask for Thy light upon them, that we may see the way clearly. If we have difficult tasks to perform, help us to seek Thy strength that we may do that which we could not do ourselves. If we have temptations, help us to remember the One who was tempted as we are tempted, but yielded not, and is now ready to help others who are tempted. As we exert extra efforts, may we produce extraordinary results so that when we come to the day's end we may have no regrets. Bring us to the rest and worship of the Advent Sabbath, that we may rejoice in the light which shines from Bethlehem. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk
CXX—2515—Part 30

will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 14, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HOLLINGS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, December 13, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar.

There being no objection, the Senate

proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk proceeded to read nominations in the Department of State.

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—COAST GUARD

The assistant legislative clerk proceeded to read sundry nominations in the Coast Guard which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations and that the President also be notified of the confirmation of the nominations earlier this week.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

COLLEGE FOR CONGRESSMEN

Mr. HUGH SCOTT. Mr. President, I see that some of the new Members of Congress are going to Harvard before they go to Congress. This suggests a new campaign slogan: "If you elect me to Congress, I'll go to Harvard." I do not know the appeal of the slogan. I am in favor of education.

In all seriousness, I think this opportunity is a good one. The members of both parties who are going to go to Harvard for a crash course in how to legislate should be commended. It is very much to their credit that they are taking this time to learn something about legislation. As one who has been here a while, I think there is nothing which beats on-the-job training.

I believe that those Members of the Senate and the House who are already here will always be willing to help the new Members, generous in their advice when solicited—and possibly at times when unsolicited. This is the tradition of both bodies of Congress.

I am glad that another fringe benefit has been added to membership, and I suggest that other universities begin to compete, so that a candidate for Congress can say, "If you give me a chance to serve, I'll go to Harvard"—or Yale or Wisconsin or Columbia or Berkeley or whatever; and the voters, in their delight at the prospect of having an educated Congressman, are likely to be impressed.

AN END AND A BEGINNING

Mr. HUGH SCOTT. Mr. President, this week, we are marking an end and a beginning: hopefully the end of the session in which this body has certainly labored very hard and has produced a good amount of substantive legislation, in which work has been done in cooperation, and we will leave for a sufficient time to enable a period of refreshment to be enjoyed prior to our return for what certainly will be a long and laborious session; a beginning, because it is the season of Advent and of Hanukkah. Therefore, we are thinking in terms of the newness of existence, of the challenges which contemplation of the Advent offers us. I hope that from the ending we will take satisfaction and in the beginning, hope.

SUPPLEMENTAL APPROPRIATIONS, 1975—CONFERENCE REPORT

The Senate resumed consideration of the conference report on the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 1 hour of debate before the vote on cloture on the Scott amendment

to House amendment No. 17. The time is to be equally divided between and controlled by the distinguished Senator from Alabama (Mr. ALLEN) and the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT).

Who yields time?

Mr. ALLEN. I yield myself 5 minutes.

Mr. President, I favor the supplemental appropriations bill, and my efforts and the efforts of those who are opposing the Scott amendment are directed toward saving this bill. I feel that if the Scott amendment is adopted, this measure will have to go back to the House and in all likelihood back to conference. The House having voted twice in favor of the Holt amendment, or a modification of the Holt amendment in the second instance, it is entirely likely that the conferees will be adamant and that they will not give in and yield to the language of the Scott amendment.

Mr. President, while we have before the Senate at this time amendment No. 17 in disagreement, the entire conference report and all the other amendments are, in effect, still before the Senate; because even though the conference report has been adopted, and even though all the other amendments of the Senate have been agreed to or are part of the conference report, yet, they are in a state of suspended animation until some agreement is reached on amendment No. 17 in disagreement.

As long as the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT) insists on having his amendment acted upon, that is delaying the passage of this supplemental appropriations bill, appropriating some \$8 billion to the various agencies of Government, including more than \$4 billion to the public schools of this Nation.

Mr. President, the situation presented here is entirely opposite from the situation presented on the cloture motion yesterday with regard to the trade bill. There, a cloture motion and the imposition of cloture served to expedite the passage of the bill. But, Mr. President, the situation is entirely different here, because a cloture vote, a vote for cloture, endangers the passage of the bill, and a vote for cloture will delay the passage of the bill.

Mr. President, it would be possible in the matter of just a few seconds, less than a minute, to pass this bill if the amendment of the Senator from Pennsylvania (Mr. HUGH SCOTT) should be withdrawn. Then the Senate would be allowed to act on, not my motion, but the motion of the distinguished Senator from Arkansas (Mr. McCLELLAN), chairman of the Senate Committee on Appropriations, the floor manager of the bill, chairman of the conference, who made a motion, as instructed by the conference, that the Senate concur in the action of the House modifying and reinserting the language of the Holt amendment.

Mr. President, even though amendments that come back for action in connection with a conference report are referred to as amendments in technical disagreement, actually, they are not in substantive disagreement. They are not in basic disagreement, because agreement has been reached, but, because of

rules of germaneness on the part of the House, they are not able to agree to the language and put it in the conference report. So what they do is what they did in this case, agree on what was to be done, and prepare the blueprint for action by the House and action by the Senate to resolve the differences.

Mr. President, there were 16 members of the conference committee representing the Senate. Fourteen of them signed the report recommending that the Senate concur in the action of the House. But this matter was agreed to by the conferees, and if we can defeat the cloture motion today, I should feel that the Senator from Pennsylvania, rather than run further risk of defeating this bill by insisting on his amendment, would withdraw the amendment and let the motion of the Senator from Arkansas (Mr. McCLELLAN) come to a vote.

The Senator from Alabama is not preventing a vote on the one motion that will send this bill to the President. That is the motion of the Senator from Arkansas. The Senator from Alabama is for that motion. He wants to see it passed, and if we can defeat this cloture motion today, I hope that sometime during the day, the distinguished Senator from Pennsylvania will recede from his position of insisting on action on his amendment and allow the Senate to vote on the motion of the Senator from Arkansas.

Mr. HUGH SCOTT. Will the distinguished Senator from Alabama yield?

The ACTING PRESIDENT pro tempore. The Senator from Alabama has consumed 7 minutes.

Mr. ALLEN. Then I shall be delighted to yield on the time of the Senator from Pennsylvania.

Mr. HUGH SCOTT. If the Senator needs time, he may use my time. I simply rise to make a point.

While the Senator from Alabama states that the supplemental is being delayed by the amendment—

Mr. ALLEN. That is correct.

Mr. HUGH SCOTT. I point out that the supplemental is being delayed by the opposition of the Senator from Alabama to the amendment, because the amendments, if not opposed, could pass in a matter of a few minutes. The right of each side to offer an amendment is unquestioned. The right of debate is unquestioned. The Senator from Alabama is exercising his rights, but the Senator from Pennsylvania has used virtually no time on the amendment, and does not intend to use much time. He is so confident of the rectitude of his position that he does not feel that a further extension of remarks would be necessarily contributory to the processes of ratiocination involved in our consideration.

Mr. ROBERT C. BYRD. Mr. President, I enjoy listening to these learned discussions, but I should like to be able to understand them.

Mr. HUGH SCOTT. I do appreciate that, but the Senator—

Mr. ALLEN. It might be difficult to understand what the distinguished Senator from Pennsylvania is trying to get across. I find it somewhat difficult.

Mr. HUGH SCOTT. I wished to show to both Senators, that I never indulge

in obfuscation. Logorrhea, yes, perhaps; obfuscation, no.

Mr. ALLEN. I thank the distinguished Senator for his comments, but the Senator from Alabama does not object to the Senator from Pennsylvania offering his amendment. He recognizes that right, but still, the Senator from Alabama has the right to draw his conclusions as to the effect of this amendment.

The Senator from Alabama pointed out that if the Senator from Pennsylvania would withdraw his amendment, we could send this bill to the President in a matter of 4 or 5 seconds. But if the Senator prevails in seeking the adoption of his amendment and it gets adopted, the bill has a very uncertain fate, because it has to go back to the House, which has acted on this very same question two times, contrary to the position of the Senator from Pennsylvania, and there is no assurance whatsoever that agreement can be reached with the House.

The Senator from Alabama is pointing out further that until agreement is reached on amendment No. 17, all of the action that the Senate has taken up to this point with respect to the bill will be nullified, because the conference report and all of its amendments are in a state of suspended animation, waiting on the Senator from Pennsylvania to withdraw his amendment so that we can act upon the motion of the Senator from Arkansas, the chairman of the Committee on Appropriations and the chairman of the conference. That is what it will take to send the bill to the President today.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HUGH SCOTT. Mr. President, does the Senator from Massachusetts wish time at this point?

Mr. BROOKE. No.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for the quorum call be equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I yield myself 7 minutes.

The ACTING PRESIDENT pro tempore. Without objection, the order for the quorum call will be rescinded, and the Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, the Holt amendment, which the House of Representatives is insisting on and which was agreed to in conference, was recommended to the two bodies—the modification of the Holt amendment, that is—was recommended by the conferees from the House and the conferees from the Senate, and now the House has taken action approving that language, and all that remains is for the Senate to concur in the action of the House of Representatives, and that will constitute passage of the bill.

Mr. President, there has been a lot of argument here on the Senate floor that what the Holt amendment seeks to do is not to stop forced mass busing of schoolchildren, that the Holt amendment is not an antibusing measure. In the debate

which took place on the floor of the House of Representatives, Mrs. GREEN made inquiry, as shown in the debate on December 4, appearing at page 38185 of the RECORD:

What is the Holt amendment? First, the Holt amendment is an effective antibusing amendment.

Mrs. GREEN also said:

I do not consider the Holt amendment as either destructive or evil or an abomination as previous speakers have suggested; and I am in agreement with those who just spoke, that we have passed in this House innumerable antibusing amendments; on one occasion we even instructed the House conferees three times not to abandon the House position on antibusing; in spite of the instructions on those three different occasions, the conference report came back watered down so that the antibusing amendment was absolutely meaningless and there were loopholes that anyone could drive 1,000 schoolbuses through.

The distinguished Senator from Massachusetts (Mr. BROOKE), in argument earlier this week, talked about this being something having to do with integration by sex, and that the rights of women were involved here. Let us see what Mrs. GREEN says about that:

As you know, I believe forced busing has accelerated the deterioration of quality education in many schools. As I said, this is an antibusing amendment. The overwhelming majority of the American people are opposed to busing because it has not accomplished anything. Now HEW claims to have authority to say that we are going to integrate classes on the basis of sex. For heaven's sake, let us have some commonsense in the administration of the legislation that we enact. I would hope that we would overwhelmingly support the Holt amendment.

Now, Mr. President, let us consider the language that has the distinguished Senator from Pennsylvania so worked up that he has offered an amendment and is insisting on it, to the detriment of the likelihood of the passage of this bill.

After making appropriations of more than \$4 billion to the schools, this amendment No. 17 ends with this language:

Provided further, That none of the funds contained herein shall be used to carry out section 821 of Public Law 93-380 [to compel any school system, as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin, or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin].

All it says, then, is that HEW cannot say to a school system, "You are eligible for a grant from the Federal Government to give quality education to the pupils in your school system, but you are not going to get that grant unless you classify teachers or students by race, religion, sex, or national origin."

Why should they have that authority, to withhold funds to force local school systems to make such a classification, or—and here is the busing feature—to force the local system to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin?

If students are assigned by race—which HEW seeks to force local systems to do—and they assign pupils to schools far from their neighborhoods, how are

they going to get there except by busing? That is what makes this Holt amendment an antibusing amendment.

Mr. President, to say that HEW cannot see to it that quality education, equal opportunity for an education, is afforded all of our children unless they have power to withhold funds to club local systems into submission into taking action that HEW thinks that they should take, let me ask how often has this withholding of funds taken place in areas outside of the South?

Well, there was a recent study, as shown by the CONGRESSIONAL RECORD, page 30422, a recent study by the Center for National Policy Review, and it is pointed out that since 1965 there has been only one instance where Federal funds were withheld from local school systems in an area outside of the South—only one instance.

Well, if they could not find a use for it in areas outside of the South but one time, and it does not say what they were trying to get them to do—it might not even have been in this area, and that was in a small Detroit suburb, Ferndale, Mich., the only place outside the South HEW has ever withheld funds, according to the Center for National Policy Review—and if this is just an implement to club Southern school districts into submission, I do not see that that is equal application of the law.

Mr. Weinberger has had some strange things to say about why segregation continues in areas outside of the South, whereas it has been wiped out, to all intents and purposes, in the South. He said in the North:

Federal civil rights enforcers often can achieve better results by convincing local school boards to design plans with necessary public support than by going in with a blunderbuss taking away their Federal funds—

This is in the North—

And put them in a frame of mind and attitude in which they would make no effort to try to comply with the law.

This same item that I am reading from here, quoting Mr. Weinberger, comments, according to a government policy research organization:

The Office of Civil Rights, Department of HEW, has generally failed to use its powers to require desegregation in Northern and Western school districts.

Why does it say that that is the case? Why have they not forced desegregation of schools outside of the South?

This is a direct quote from Mr. Weinberger, according to the Philadelphia Inquirer, I might say to the distinguished Senator from Pennsylvania, commenting on or reporting Mr. Weinberger's statement. This is Mr. Weinberger, the head of HEW, speaking:

I think we have to face the fact that we are dealing with a very fierce public opposition to desegregation in many Northern cities.

That is the reason why they do not have—

The ACTING PRESIDENT pro tempore. The Senator's 7 minutes have expired.

Mr. ALLEN. I yield myself an additional 3 minutes.

That is the reason they do not have

any desegregation in areas outside of the South. People do not want it. It makes them mad, and they cannot run the risk of making people mad in areas outside the South.

Well, here they want a tool apparently for use only in the South, because withholding of Federal funds has taken place, as I have stated, according to this study, on only one occasion in an area outside of the South.

So, Mr. President, I think the time has come to have equal application of our laws, and not to have a provision that HEW enforces in the South and does not enforce in areas outside of the South.

Mr. President, I hope that cloture will not be invoked. I feel that a vote of "no" on the cloture motion is a vote for expediting the passage of this bill. It is a vote that will move in the direction of a uniform policy by HEW throughout the country.

I might say to those Members of the Senate who are seeking to continue to give HEW this power to withhold funds in the South that almost every school system that I know of in the South is already under a court order to segregate. So the very aims that HEW would achieve by withholding funds are already required under court order, and the question is fast becoming a moot question in the South. But in years to come, it is not going to be a moot question in areas outside the South, because somewhere down the line the Federal courts and HEW are going to start desegregating schools in the Northern and Western States.

So, as was stated in a conference out in Topeka, Kans., just a few weeks ago celebrating the 20th anniversary of the Brown against Board of Education decision, this conference, as shown by a newspaper clipping from the Birmingham News, inserted in the RECORD of December 3, 1974, appearing at page 37765—

The ACTING PRESIDENT pro tempore. The Senator's 3 minutes have expired.

Mr. ALLEN. I yield myself 2 more minutes.

The result of that conference, attended by representatives from 32 States, the conclusion was:

The South is getting a passing grade—indeed, high marks, in some instances—but the North is flunking the test of school desegregation.

"Miss Simmons"—who is connected with the NAACP—said "The North did not believe that the 1954 decision applied to it, and Northerners have been acting on that premise."

I think that is the premise on which many are operating who are seeking to scuttle the Holt amendment with the Scott amendment, that the 1954 decision did not apply in areas outside the South. But I believe people are waking up. The people in Michigan, the people in Boston, the people in Denver are waking up to the fact that this rule of law obtains throughout the country, and since this power of HEW to withhold funds from school systems to force them to comply with some dictate of HEW is a policy that has not been fol-

lowed in the North—in only one instance, in a small community—so why have it here as an implement to use in the South?

I say again that if we want to pass this bill, if we want to pass it today, there is a possibility by voting "no" against cloture, to prevent the invoking of cloture, if the distinguished Senator from Pennsylvania would then withdraw his amendment, we would concur in the motion of the Senator from Arkansas (Mr. McCLELLAN) and we can send this bill to the President today and, hopefully, obtain his signature at an early time.

Mr. HUGH SCOTT. Mr. President, I yield myself such time as I may require.

I fear if the record is left in this state that those who read it will wonder what we are talking about. My amendment simply says, it adds the phrase, "except as may be necessary to enforce nondiscrimination provisions of Federal law."

What does that mean?

It means we will abide by the law. It means we would enforce nondiscrimination provisions in Federal law. It means we are against discrimination. It means we recognize the rule of law, and it does not mean anything else.

As the distinguished Senator from Alabama has said, the question is largely moot.

In most of the South and in most of the Southern States, court orders apply. This has never been equitable and I am the first to admit it. I admitted it during the debate and in colloquy with the distinguished Senator from Mississippi (Mr. STENNIS).

The particular evils of segregation largely flourish as far as school systems are concerned in the North.

The fanning of the flames of hatred is particularly noted in the big industrial cities of the North, in Detroit, in Boston, and in other cities.

We are aware of the fact that the attempt to avoid discrimination has been met, on the part of many people in the North, with the feeling that this was a Southern question.

It was not. It ought not to be so regarded. It is not.

But if the question is largely moot in the South, why does the Senator from Alabama fear the effect of the amendment since the purpose of the amendment is to make sure that discrimination is abolished everywhere, and if it exists largely outside of the South, why not help us do whatever is necessary to abolish the discrimination?

I can thoroughly sympathize with the feelings of the Senator from Alabama that it is, in itself, discriminatory for the Federal Government to have regarded this as a Southern question. It always was discriminatory. But I assure the Senator that all we are trying to do is make sure that the right to enforce nondiscrimination on the basis of Federal law may be applied equally and everywhere.

Mr. ALLEN. Will the Senator yield for a moment?

Mr. HUGH SCOTT. I am glad to yield to the Senator.

Mr. ALLEN. The Senator asks, I as-

sume, an actual question rather than just a rhetorical question as to why the Senator from Alabama would be concerned.

Well, the Senator from Alabama does not want to see HEW have this power anywhere to club local school districts into submission. So he wants to protect the entire country, he wants the policy to be uniform throughout the country.

It is not only a Southern question, but a national question, as well.

Mr. HUGH SCOTT. Well, I do thank the distinguished Senator.

My wording in the amendment would apply anyplace and should apply anyplace.

Mr. BROOKE. Will the Senator yield?

Mr. HUGH SCOTT. I yield the floor, I understand that the Senator from Massachusetts wishes to be recognized.

Mr. BROOKE. I thank my distinguished leader.

Mr. President, I have on my desk a letter from the National Caucus on the Black Aged, Inc., which was written December 12, 1974, addressed to Hon. MARK O. HATFIELD. It is from the office of Senator HUGH SCOTT, the Republican leader.

The letter reads:

A portion of Amendment 17 of the Labor-HEW Supplemental Appropriations bill—which has come to be known as the Holt Amendment—threatens a return to racially segregated education in America.

This fact alone would be reason enough to oppose the Holt Amendment. However, we at the National Caucus on the Black Aged, Inc., foresee other problems as well.

The language of the Holt Amendment refers to "school systems." Although Representative Holt's office indicated that the Amendment was not designed to affect post-secondary education, we are not reassured.

The National Caucus on the Black Aged, Inc., represents a constituency which depends upon qualified black professionals to render services to this nation's almost two million aged blacks. The language of the Holt Amendment is sufficiently ambiguous so that the recruiting and training of qualified blacks in the nation's institutions of higher learning could also be threatened.

Both Dr. Arthur S. Flemming, Chairman of the U.S. Commission on Civil Rights, and Caspar Weinberger, Secretary, Department of Health, Education and Welfare, in their letters to Senator James Eastland and Senator Warren Magnuson, respectively, expressed the fear that the language of the Holt Amendment would render inoperative Title VI of the Civil Rights Act of 1964, and Title IX of the Education Amendments of 1972.

The economic situation has already taken, and continues to take, its toll on black Americans. We urge you not to allow an already abhorrent situation to become worse by threatening the educational opportunities and the civil rights of the country's minorities.

We are encouraged by the actions of those Senators who have voted against the Allen Amendment, the Helms-Thurmond Amendment and the Beall Amendment.

We urge you to vote tomorrow in favor of cloture and for the Scott-Mansfield Amendment without further amendment.

Now, Mr. President, I ask unanimous consent that the entire letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE NATIONAL CAUCUS ON
THE BLACK AGED, INC.,

Philadelphia, Pa., December 12, 1974.

HON. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: A portion of Amendment 17 of the Labor-HEW Supplemental Appropriations bill—which has come to be known as the Holt Amendment—threatens a return to racially segregated education in America.

This fact alone would be reason enough to oppose the Holt Amendment. However, we at the National Caucus on the Black Aged, Inc., foresee other problems as well.

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We are encouraged by the actions of those Senators who have voted against the Allen Amendment, the Helms-Thurmond Amendment and the Beall Amendment.

We urge you to vote tomorrow in favor of cloture and for the Scott-Mansfield Amendment without further amendment.

Sincerely,

STEVEN R. BAER,

Director, Legislative Division for Hobart C. Jackson, Chairman, National Caucus on the Black Aged, Inc.

Mr. BROOKE. Mr. President, my distinguished colleague from Alabama has made two points.

The first is that the Holt amendment is an antibusing amendment; and he has quoted me as saying that it is not an antibusing amendment. But I reiterate my position, Mr. President; this is not an antibusing amendment.

We are concerned here with the ability of the Federal Government to enforce title VI of the Civil Rights Act of 1964 and title IX of the Education Amendments of 1972.

We are concerned with the enforcement of the fundamental civil rights laws of our country—not busing. The Federal courts order busing to overcome the effects of State-imposed segregation. And we are not talking about the courts here.

We are talking about HEW's authority, pursuant to title VI and title IX, to enforce our civil rights laws. This amendment goes far beyond anything that the distinguished Senator from Alabama has said, far beyond anything that Representative Holt has said about Anne Arundel County.

This is a national problem. It is a problem affecting equal educational opportunities for minorities throughout this Nation, and equal educational opportunities for women throughout this Nation.

Now, the second point that the Senator from Alabama has made is that title VI affects only the South. He said that the law ought to apply to the North and to the East and to the West as well as to the South, and I cannot agree with him more wholeheartedly.

I have said the same thing to the Senator in debate on the floor, and to Senator HELM and to Senator BEALL. And I firmly believe it. I do not believe we ought to establish and enforce one standard upon the South and another upon the North.

I compliment the Senator for raising this issue. I have complimented the South on what it has done, for in many instances the South has accomplished far more than the North has in the desegregation of public schools.

I am embarrassed again by what is happening in my own city of Boston, in my own State of Massachusetts, as compared to what has been happening in Alabama, the Senator's own State, and in Georgia and Mississippi and other States in the South.

So I agree with the Senator wholeheartedly that we ought to have this law apply equally across this Nation and not restrict it to the South.

Now, Mr. President, I would like to discuss what the Senate has already done in this matter.

No. 1, on November 19, we had the Helms amendment before the Senate for the first time. The Helms amendment was identical at that time to the Holt amendment which had been introduced in the House of Representatives and passed by the House of Representatives.

We voted on it after a very lengthy debate. I think the Senator from Alabama engaged in that debate. I know I engaged in that debate, together with the Senator from North Carolina (Mr. HELMS).

The Senate knew what it was voting on. It was a very well organized and executed debate. I think all the facts were brought to the forefront.

The Senate voted, and the Senate voted 43 to 36 to reject the Helms amendment.

Then we on Wednesday, December 11, after a supposed compromise, we returned to the Holt amendment. We had a time agreement of 2 hours of debate on the motion made by the distinguished Senator from Alabama (Mr. ALLEN) to table the Scott-Mansfield amendment to the Holt amendment.

We voted on the Allen tabling motion after a lengthy debate between the distinguished Senator from Alabama and myself. And the Senate defeated the tabling motion by the overwhelming margin of 60 to 33. It could have been reasonably expected at that time to proceed with and vote on the Scott-Mansfield language. But a Helms amendment to the Scott-Mansfield had already been introduced. The Helms amendment would have substantially altered the Scott-Mansfield language.

I believed, and I think obviously and ultimately the Senate believed, that the Helms amendment would have taken us back practically to the Holt amendment.

After a 30 minute debate on that between Senator HELMS and myself, the Senate voted once again. The vote was 58 to 37 to reject the Helms amendment. So this was the third time that the U.S. Senate had voted on this matter. The Senate had voted clearly and, I think, without question, as to what its feelings were and how strongly it felt about the language contained in the Holt and the Helms amendments.

Then after we had practically spent a whole legislative day on the question, we had our fourth vote, and third of the day, at approximately 6 o'clock in the evening.

It was on an amendment by Senator BEALL, after a 30-minute debate between Senator BEALL and myself.

The Senate rejected the Beall amendment by a vote of 62 to 30, the largest vote we have had on this issue.

So obviously, Mr. President, the Senate has demonstrated its will and its determination. It has voted on four different occasions to reject the Holt amendment or variations of the Holt amendment.

Now we have before us the Scott-Mansfield language. In order to get a vote up and down on it, we have to go through a vote on cloture.

The distinguished Senator from Alabama has said today that all we had to do to end this debate was to have Senator SCOTT withdraw his amendment. Then we could concur in this amendment on disagreement and send this supplemental appropriations bill to the President of the United States for his signature.

In effect, he said that Senator SCOTT was delaying a Senate vote on the matter. I respectfully submit to my distinguished colleague that it is not Senator SCOTT—and the Senator from Alabama knows it is not Senator SCOTT—who is delaying this bill, but it is the distinguished Senator from Alabama who is delaying it, because the distinguished Senator from Alabama does not want the Senate to vote on the Scott-Mansfield language.

Why? Because he knows that the Senate has already indicated that it would support the Scott-Mansfield language and send it back to the House of Representatives, saying to the House of Representatives, "This is where the U.S. Senate stands, and it stands firmly and clearly. It has voted four times. The Senate will not accept the Holt language."

I think it is a good day, not only for the U.S. Senate, not only for Anne Arundel County, but also for the Nation, that the Senate believes that, and that the Senate has said that.

So I hope, Mr. President, that when the vote is taken today, there will be sufficient votes to invoke cloture on this matter. I am sorry it had to be done on a Saturday morning because many Senators had made arrangements to do other things, to go elsewhere, and did not know that this vote would come up.

I hope, however, that there will be sufficient votes in the Senate to obtain a two-thirds vote so that we will have cloture and we can get on with the Senate's business and adopt the Scott-Mansfield language.

there be no doubt that we will file another cloture motion, and another if necessary.

But if we do not, Mr. President, let

essary. And even if we have to stay here until the next Congress, we will not accept the Holt language.

So I urge my colleagues to vote today, to vote clearly, and to give us the two-thirds majority that we need in order to bring about cloture.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ALLEN. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Alabama has 8 minutes remaining.

Mr. ALLEN. I yield myself such time as I may require.

Mr. President, I appreciate the remarks of the distinguished Senator from Massachusetts (Mr. BROOKE) as to the attitude of the people of the South, and the accomplishments of the people in the South in the area of school desegregation. The statistics show it—it is open to the world—that the South has complied with the edicts of the Supreme Court, the edicts of HEW, and we have desegregated our schools in the South.

We do feel that we should have a uniform school policy. I am delighted that the distinguished Senator from Massachusetts supports a uniform school policy.

Mr. BROOKE. Will the Senator yield at that point?

Mr. ALLEN. Yes.

Mr. BROOKE. There is one statement I would like to make along those lines.

One thing further I would like to say about the South in comparison to the North—and my distinguished colleague from South Carolina is presiding now—and that is the distinction that may be made between the actions of the North as compared to the actions of the South. The South has fought for what it believed in. It believes in antibusing, and in the past it has believed in the separation of races, in segregation, and in some instances discrimination.

But when a law has been passed, when Congress has acted and the President has signed the law, the South has obeyed the law. They will contest the law, but they will obey that law and work within the law.

In the North, on the other hand, we are getting disobedience of the law. We have had hypocrisy in the North. We have had many instances where people in the North have stated: "Well, all the problems are really in the South and not in the North." They have pointed the finger at the South.

But when the problems of desegregation occur in the North, and they have to live with the law, then they have sometimes disobeyed that law. A prime example of this is what we are seeing—and I am embarrassed to say this—in my own capital city in the great Commonwealth of Massachusetts, which says it is the cradle of liberty and the hub of the universe.

I believe the South has a point, and I am the first to admit it. I wanted to point out that distinction.

Mr. ALLEN. I thank the distinguished Senator from Massachusetts for his comment. I appreciate his statement, and I appreciate the things he has had to say about the attitude of Southern people. I have always found the distinguished

Senator from Massachusetts to be most reasonable as we discuss these problems that affect our Nation.

Mr. President, my contention is that there is no valid reason for empowering HEW with the right to withhold educational grants that may be sorely needed by local systems to force local systems to take certain actions with respect to the assignment of students and the assignment of teachers.

The distinguished Senator from Massachusetts spoke about recordkeeping. I might say that that was dropped in the conference.

He has told of the adamant position of the Senate. The House position is just as adamant.

I might say that the conferees, in an effort to compromise this issue, cut the Holt amendment half in two. They kept only the provisions saying they could not withhold funds to force assignment of teachers and students, or classify teachers or students by race, religion, sex, or national origin.

The Holt amendment, as introduced and as originally passed, went on to say further they could not require them to maintain and prepare any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students. The prohibition relating to classification of students and teachers was left intact. But this provision about the keeping of statistics was dropped in the conference, in an effort to compose the differences between the two Houses. The compromise that was reached by the conference was endorsed by 14 of the 16 conferees on the part of the Senate.

So our conferees come back and tell us that this is the best settlement that can be obtained with the House conferees, and they recommend the acceptance of half a Holt amendment, half a loaf being better than none. And that is what is left in the bill.

So, in the interest of comity between the two bodies of Congress, it would seem that the time has now come for the Senate to recede in this area. The House has already accepted only half of what it originally enacted. Why, then, could not the Senate accept the half that remains?

If we do defeat the cloture motion today and we are able to defeat the Scott amendment, or if the Senator from Pennsylvania withdraws it in the interest of the speedy passage of the bill, we can send this important bill, which will mean so much to our schools, so much to many areas of governmental operations, to the President for his signature.

What is the alternative to that? The invoking of cloture, the passage of the Scott amendment. What happens then? It goes back to the House of Representatives for, I assume, a further conference; and if the members of the House conference are as adamant as is the distinguished Senator from Massachusetts, we will not have any bill.

So the best way, it seems to me, is to defeat the cloture motion, accept the motion offered by the distinguished Senator from Arkansas (Mr. McCLELLAN), to concur in the action of the House, cutting the Holt amendment in two, and leaving, certainly less objectionable as

viewed by the proponents of the Scott amendment, half of the amendment.

I feel that both portions of the Holt amendment should have been retained, but I am not asking to add the other half of the Holt amendment to this amendment. I am willing to accept the compromise offered by the conferees.

So a vote of "no" on the cloture motion is a vote for speedy passage of the bill. It is a vote to back up the action of the Senate conferees who, by a vote of 14 to 2, ratified the half of the Holt amendment remaining.

I hope that the Senate will reject the cloture motion.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. BROOKE. Mr. President, the Senator from Alabama and I have discussed the merits of the Holt amendment and what the effects of that amendment would be across the Nation. But there are some practical matters which I think, in the closing moments of this debate, should be brought to the attention of the Senate, and they involve the parliamentary situation.

First, and it has been mentioned before, the Holt amendment is legislation on an appropriation bill. For this reason alone, the Senate should reject the Holt amendment.

Second, there is a sense of urgency, in that we are in the closing days of the 93d Congress; and it has been suggested that we will conclude our legislative matters by the close of business on Friday, December 20.

If we do not get cloture today, it means that we will have a vote on another cloture motion—which has already been filed, this being another legislative day—on Monday. If we do not get cloture on Monday, we will have yet another cloture motion, which means that after the legislative day of Monday, we will have a vote on Tuesday. If we do get cloture today and we can vote on the Scott-Mansfield language, this matter will go back to the House of Representatives immediately.

The Senator has said that the House will never accept it. But I do want to point out that the last vote in the House was 212 to 176, which is an improvement over the first vote the House had on this issue. There has been a shift in the sentiment and in the voting in the House, which indicates that the House is moving further away from the Holt language.

Third, statements have been made to the effect that the President will veto the supplemental appropriations bill. If that is going to be the case, it seems to me that we would want to get this matter decided by the Senate, sent to the House of Representatives, and if the House agrees, sent to the President as soon as possible. If the President is going to veto it, not for this reason, but for money reasons, the bill will then come back to us, and we will have some legislative days left in which to work out some compromise with the President, because this is important legislation. Many people are awaiting the money that will be appropriated under this supplemental appropriations bill. Many programs are dependent upon it.

So we do have, in short, some very practical reasons for voting for cloture this morning and getting on with an up-and-down vote on the Scott-Mansfield language.

I think that the distinguished Senator from Alabama is absolutely within his rights to debate this matter just as fully as he has. He has done an outstanding job with what I think is a bad case, but I am sure he thinks it is a good case, as he thinks my case is bad. Now that the Senate has had it fully debated, he should be ready and willing to have an up-and-down vote on the Scott-Mansfield language and let us get this very important legislation on its way, so that it can be resolved ultimately and we can have a supplemental appropriations bill passed.

Mr. President, I do not have any more to say on the matter. If the Senator from Alabama has a question or if he has something further to say on my remaining time, I will be more than pleased to yield that time to him. If he does not, Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that request, Mr. BROOKE. Yes.

Mr. BEALL. Mr. President, this debate presents many of us with a dilemma. On the one hand, it is agreed that the adoption of the Holt amendment would repeal the civil rights acts. The vast majority of our citizens support the civil rights acts and are proud of the progress that this Nation has made to remove discrimination from our society.

On the other hand, many of us believe, and the majority of our citizens oppose certain actions on the part of HEW—and the courts—such as forced busing, and the kind of abuse and harassment that Anne Arundel County has been subject to.

Now, this Congress, we are told, is on the brink of repealing the civil rights laws and obliterating a decade of progress in civil rights.

I believe the Holt amendment goes too far; but I also believe that HEW has been going too far.

If, as it is claimed that the Holt amendment would repeal the Civil Rights Act, it would indicate that one House has voted just that. This should be a warning to the proponents of civil rights that reason and reasonable approaches must be fashioned.

While some believe that the opposition to busing stems from racial prejudices, I do not accept that view.

While obviously some who oppose busing harbor racial prejudices, I believe this is not the case for the vast majority of our citizens.

To illustrate this point, it is my understanding that in Montgomery County, Md., public hearings were recently held regarding a proposal that would bus students from the upper part of the county to the lower county rather than construct new schools in the upper county. The testimony was overwhelmingly opposed to busing students to the lower county and for neighborhood schools near their community.

Mr. President, poll after poll has revealed strong public opposition to busing. This opposition to busing has remained in Gallup's words "surprisingly

constant." The latest Gallup poll showed that 72 percent oppose busing to achieve racial integration and only 18 percent favoring such busing. Of course, other surveys show the public favors integration.

Similarly, a poll taken of the merit scholars, the Nation's outstanding high school students, indicated they share the adult community's opposition to busing. In response to the question: "Would you move into an integrated neighborhood?", 90 percent said "yes"; and only 7 percent replied in the negative.

Then, in response to the question, "Do you favor busing of children to achieve integrated school system?", 68 percent said "no"; 26 percent replied in the affirmative.

Polls have also revealed that the black community is also very divided on this issue, although busing is narrowly favored in the black community.

It could be that the public, as is often the case, is ahead of the Congress on this issue. Yet, one can understand the frustrations and feelings of the public on the busing issue.

Most oppose and yet they cannot get a reversal of busing decisions. Even the proponents of busing seem to recognize busing as not a very satisfactory solution, but believe there is no alternative.

One can also understand the feelings of minority citizens who naturally want the best possible education for their children and knowing that in many cases they are not receiving it now.

Congress must do what to date has not been done; namely, find the alternative and alternatives which is sound educationally and which will be supported by the public.

On Monday the Education Subcommittee held hearing on a bill introduced by Senator CHILES, S. 503, Neighborhood School Act.

I commend Senator CHILES for his initiative and I am hopeful that the dialog begun will be a high priority matter in the next Congress. It is amazing to this Senator that on education bills and appropriation bills, funding our education programs we spend all the time debating busing issues.

I believe this issue has so inflamed and divided our country and diverted our attention from improving education that we should consider establishing a national commission to examine the busing issue and alternatives that might focus and unite our country in a concerted effort to remove educational deficiencies and improve education for all of our children.

Mr. BIDEN. Mr. President, during the last several days the Senate has occupied itself with the merits and demerits of busing to achieve school desegregation. This came about because of the so-called Holt amendment included in Senate-House agreement on a 1975 fiscal year supplemental appropriations bill (H.R. 16900) that we are considering today.

The Holt amendment would have prohibited Federal funds from being withheld from any public school system as a means of compelling the assignment of teachers or students to specific schools on grounds of race, religion, sex, or na-

tional origin. In turn, Scott-Mansfield amendment was offered that largely offset the intent of the Holt amendment.

Mr. President, although I have never supported busing as a remedy for our education problems, for the most part I have voted against legislation designed to take away the power of the courts to use busing as one of its remedies to eliminate de jure segregation. But, as I talk to my constituents and read accounts of the troubles in many cities—including most recently Boston—and reflect upon the matter, I have become more and more disenchanted with busing as a remedy even in the single instance stated above. And I shall tell why.

The solidifying of my antibusing feelings reminds me in a general way of Winston Churchill's retort when once asked if it were true that he often had to eat his own words: "Very often," replied Churchill. "And, on the whole, I've found them a rather wholesome diet!"

Mr. President, it is increasingly apparent that busing is a dire step. I have always believed that busing should be undertaken only under extreme circumstances—and even then I would have serious doubts about its effectiveness—about the impact upon students who are assembled in classrooms not to be bused but to be educated.

As a result of this attitude, I had intended to offer an amendment to the Scott-Mansfield amendment. My amendment would have said, in effect, that no agency but a court of competent jurisdiction could order busing for de jure reasons.

The text of my amendment, as drafted, read:

No funds appropriated by this Act may be used (i.e. by the Department of Health, Education and Welfare) for assigning students to schools because of race.

However, I decided not to introduce the amendment at this time for several reasons:

First, the vehicle for my amendment would have been an appropriations bill providing billions of dollars for many worthwhile activities. There are exceptions to any rule, but generally I prefer not to introduce or support a legislative amendment to an appropriation bill;

Second, there were, after consultation with the Parliamentarian and Legislative Counsel's Office, procedural problems involving my amendment, which, in technical terms, would have an amendment in the second degree to the Scott-Mansfield amendment.

Third, my amendment would have been debated in the Senate in the concluding days of this 93d Congress—which is an atmosphere not conducive to reasoned discussion;

Fourth, there obviously had been no committee hearing on my amendment. It does not always apply, but generally I prefer that the full range of discussion, within a legislative committee and in the Senate Chamber, take place on an amendment; and

Fifth, I did not have an opportunity to discuss the purpose of my amendment with constituents and organizations in Delaware who would be opposed to it or supportive of it. I have tried, I think successfully, to notify constituents well in

advance of positions I might take on a variety of issues—positions to which they would object. In this way, there is an opportunity for these constituents to discuss with me their views—fully and frankly.

These were the five principal reasons that deterred me from introducing this amendment in the last few days of this Congress.

However, I do plan to introduce such an amendment in the form of a bill early next year after the new, the 94th Congress, convenes in January. I will ask that hearings be held on the bill. If hearings are not held on my bill after an appropriate lapse of time, I shall feel free to undertake to have the bill added to some bill or other that is before the full Senate.

To summarize, Mr. President, I have become dissuaded that busing accomplishes what it purports to achieve—equal education opportunities for all young Americans. Busing, it seems to me, is a dubious triumph of technique over substance. By and large our children's education suffers and our energies are diverted from finding formulas and ways of achieving the goal of fair and open and equal opportunities for all in our schools. My commitment to this goal is unshaken; my resolve to help bring about equal education opportunities is firm and unyielding. I simply am objecting to a reliance upon one means—one that is becoming discredited it seems to me—to achieve a laudable goal.

The PRESIDING OFFICER (Mr. McIntyre). All time has expired.

The time for debate having expired, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending amendment by the Senator from Pennsylvania (Mr. Scott) to House amendment No. 17 to H.R. 16900, the Supplemental Appropriation Bill for 1975.

Alan Cranston, Jacob Javits, Robert T. Stafford, Robert Taft, Jr., Howard M. Metzenbaum, Quentin N. Burdick, Gaylord Nelson, Ted Stevens, Abraham Ribicoff, Floyd K. Haskell, Pete V. Domenici, Clifford P. Case, Bob Packwood, James Abourezk, Harrison A. Williams, Jr., and Henry M. Jackson.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 539 Leg.]

Alken	Haskell	Packwood
Allen	Magnuson	Pastore
Brooke	McGee	Pearson
Byrd, Robert C.	McIntyre	Proxmire
Cranston	Muskie	Schweiker
Griffin		

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be di-

rected to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Fulbright	Nunn
Baker	Gravel	Pell
Bartlett	Gurney	Percy
Bayh	Hansen	Randolph
Beall	Hart	Ribicoff
Bennett	Hartke	Roth
Bentsen	Helms	Scott, Hugh
Bible	Hollings	Scott,
Biden	Hruska	William L.
Brock	Humphrey	Sparkman
Buckley	Inouye	Stafford
Burdick	Jackson	Stennis
Cannon	Javits	Stevens
Case	Long	Stevenson
Clark	Mathias	Symington
Curtis	McClellan	Taft
Dole	McClure	Talmadge
Domenici	McGovern	Thurmond
Dominick	Metcalf	Tunney
Eagleton	Metzenbaum	Welcker
Ervin	Mondale	Williams
Fannin	Moss	Young
Fong	Nelson	

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Mexico (Mr. MONTOYA), the Senator from Idaho (Mr. CHURCH), and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the amendment submitted by the Senator from Pennsylvania (Mr. HUGH SCOTT) to the House amendment to Senate amendment No. 17 to the report of the committee of conference of the two Houses on the bill (H.R. 16900) making supplemental appropriations for 1975, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate. Time is running and the sooner we dispose of this vote, the sooner we will conclude the session today.

The PRESIDING OFFICER. The Senators will either take their seats or retire to the cloakroom to carry on their conversations. This is an important vote.

The clerk will resume the calling of the roll.

The legislative clerk resumed the call of the roll.

Mr. NELSON. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order. Senators will clear the well, please.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent because of illness in the family.

I further announce that if present and voting, the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), and the Senator from Maine (Mr. HATHAWAY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The yeas and nays resulted—yeas 56 nays 27, as follows:

[No. 540 Leg.]

YEAS—56

Abourezk	Hart	Packwood
Alken	Hartke	Pastore
Baker	Haskell	Pearson
Bayh	Hruska	Pell
Beall	Humphrey	Percy
Bentsen	Inouye	Proxmire
Biden	Jackson	Randolph
Brooke	Javits	Ribicoff
Burdick	Magnuson	Schweiker
Byrd, Robert C.	Mathias	Scott, Hugh
Case	McGee	Stafford
Clark	McGovern	Stevens
Cranston	McIntyre	Stevenson
Domenici	Metcalf	Symington
Dominick	Metzenbaum	Taft
Eagleton	Mondale	Tunney
Fong	Moss	Welcker
Gravel	Muskie	Williams
Griffin	Nelson	

NAYS—27

Allen	Buckley	Fannin
Bartlett	Cannon	Fulbright
Bennett	Curtis	Gurney
Bible	Dole	Hansen
Brock	Ervin	Helms

Hollings	Roth	Talmadge
Long	Scott,	Thurmond
McClellan	William L.	Young
McClure	Sparkman	
Nunn	Stennis	

NOT VOTING—17

Bellmon	Cotton	Hughes
Byrd,	Eastland	Johnston
Harry F., Jr.	Goldwater	Kennedy
Chiles	Hatfield	Mansfield
Church	Hathaway	Montoya
Cook	Huddleston	Tower

The PRESIDING OFFICER. On this vote, there are 56 yeas and 27 nays. Two-thirds of the Senators present and voting having voted in the affirmative, the cloture motion is agreed to.

In light of the cloture vote having succeeded, it should be clarified by the Chair that no Senator may speak more than 1 hour, and the time will be strictly kept, no dilatory motion or amendment, no amendments not germane will be in order.

We shall continue on this as the unfinished business to the exclusion of all other business until the amendment of the Senator from Pennsylvania (Mr. HUGH SCOTT) to the supplemental appropriation bill is disposed of.

The question before the Senate is on the motion to concur in the amendment of the House to the amendment of the Senate, No. 17, with an amendment by the Senator from Pennsylvania (Mr. HUGH SCOTT).

Mr. PASTORE. Vote.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, may we have order?

The PRESIDING OFFICER. Will those Senators having discussions please retire to the cloakroom so the clerk can call the roll and the Senators can reply?

Mr. NELSON. I think the Chair should speak more loudly. Some of the Senators have their hearing aids turned off.

The PRESIDING OFFICER. The Senator from Wisconsin was correct.

The Senate will be in order.

Mr. PASTORE. Mr. President, I cannot understand it. When the Chair orders people to take their seats, they just keep strolling around. Can they just take their seats and let us have our business done with?

The PRESIDING OFFICER. I agree with the distinguished Senator.

The Senators will please take their seats or go out and read the Washington Post, or whatever they want to read.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Idaho (Mr. CHURCH) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Montana (Mr. MANSFIELD), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), and the Senator from Maine (Mr. HATHAWAY) would each vote "yea."

I further announce that, if present and voting, the Senator from Mississippi (Mr. EASTLAND) and the Senator from Indiana (Mr. HARTKE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The yeas and nays resulted—yeas 55, nays 27, as follows:

[No. 541 Leg.]

YEAS—55

Abourezk	Gravel	Packwood
Aiken	Hart	Pastore
Baker	Haskell	Pearson
Bayh	Hollings	Pell
Beall	Humphrey	Percy
Bentsen	Inouye	Proxmire
Bible	Jackson	Ribicoff
Biden	Javits	Schweiker
Brook	Magnuson	Scott, Hugh
Brooke	Mathias	Stafford
Burdick	McGee	Stevens
Cannon	McGovern	Stevenson
Case	McIntyre	Symington
Clark	Metcalf	Taft
Cranston	Metzenbaum	Tunney
Domenici	Mondale	Weicker
Dominick	Moss	Williams
Eagleton	Muskie	
Fong	Nelson	

NAYS—27

Allen	Griffin	Roth
Bartlett	Gurney	Scott,
Bennett	Hansen	William L.
Buckley	Helms	Sparkman
Byrd, Robert C.	Hruska	Stennis
Curtis	Long	Talmadge
Dole	McClellan	Thurmond
Ervin	McClure	Young
Fannin	Nunn	
Fulbright	Randolph	

NOT VOTING—18

Bellmon	Eastland	Johnston
Byrd,	Goldwater	Kennedy
Harry F., Jr.	Hartke	Mansfield
Chiles	Hatfield	Montoya
Church	Hathaway	Tower
Cook	Huddleston	
Cotton	Hughes	

So the motion to concur in the amendment of the House to the amendment of the Senate, No. 17, with an amendment by the Senator from Pennsylvania (Mr. HUGH SCOTT) was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. METZENBAUM). The Senate will be in order.

ANNOUNCEMENT OF POSITION ON A VOTE—H.R. 10710

Mr. ROBERT C. BYRD. Mr. President, through an administrative error yesterday, the senior Senator from Mississippi (Mr. EASTLAND) who was necessarily absent, was not recorded as having a position on H.R. 10710, the Trade Reform Act of 1974.

I announce that if present and voting, Mr. EASTLAND would have voted "yea."

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, there will now be 30 minutes of debate on the motion to invoke cloture on the conference report on the amendment of the Export-Import Bank Act.

Following that 30 minutes of debate, the clerk will call the roll to establish the presence of a quorum, after which a roll-call vote will occur on the motion to invoke cloture.

Therefore, at about 11:45 a.m. today, the rollcall vote will begin.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HUGH SCOTT. Can the Senator advise us on this matter: If cloture shall be ordered, we will then proceed with debate on the Eximbank, and amendments might be offered?

Mr. ROBERT C. BYRD. I do not know about amendments, but certainly we would proceed with the debate.

Mr. HUGH SCOTT. Could there be votes?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Under the previous order, the Senate will now begin one-half hour of debate before the vote is taken on invoking cloture on the conference report on H.R. 15977, the time to be equally divided between and controlled by the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Illinois (Mr. STEVENSON).

Who yields time?

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time run equally against both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIER. I yield myself 5 minutes.

Mr. President, this is an unusual vote we have today. It is not because we are opposed to coming to a decision on this matter; it is because we feel very strongly, those of us who are opposed to cloture at this time, that the present conference report is inadequate and the conferees should go back to conference. The one way we can accomplish that, in my view, is to turn the cloture motion.

If we succeed in turning it down, I think there is an excellent chance that we can get agreement which will be much closer to the position taken by the Senate and much fairer.

Mr. President, this conference report, when it went to conference before and was settled and taken to the floor of the House, was characterized by WRIGHT PATMAN, the chairman of the House Committee on Banking and Currency, as the most complete and total surrender he had ever seen by the Senate to the House in the 45 years he has served in the House of Representatives. I think that was the case. The Senate seemed to believe that, because they sent the conferees back to conference. One concession, one substantial concession, was made, but in general, the position taken by the Senate was still rejected. The most important provisions, in my view, that were in the Senate bill were rejected once again.

Mr. President, I think that the fundamental objection to this bill is that it provides a preference, a particular discriminating preference, for exporters. Exporters have an advantage over farmers, over homebuyers, over small business, over anyone else in the economy. They are outside the budget.

The Export-Import Bank uses billions of dollars of Federal funds. It receives money at a lower-than-market rate, and it lends money at a substantially lower-than-market rate. It is not in the budget because, if it were in the budget, it would mean the exporters would not have an advantage.

This is important legislation. It takes the Export-Import Bank, which is already a big lending operation, and turns it into a bigger operation by increasing its lending authority 25 percent, from \$20 billion to \$25 billion. That is all right, but Congress cannot and should not let a Government-owned bank, with a lending authority of \$25 billion, operate without congressional oversight.

The conference report before us today does not give Congress adequate oversight authority over the Export-Import Bank.

This legislation extends Eximbank's authority for 4 more years. It will be 4 more years—I think we should keep that in mind—4 more years before we have another chance to examine the Bank in full detail and make substantial changes in its basic law. We cannot wait 4 more years to bring a \$25 billion lending operation under full congressional control. We should not abdicate our responsibility to see that the Bank acts in the national

interest for 4 more years. We must do it now.

As I have stated at some length on the Senate floor, I do not believe we should pass this legislation until we act affirmatively to put the Export-Import Bank back in the Federal budget. Restoring the Bank to the budget is the most far-reaching and effective way of establishing congressional control of the Bank and making it act responsibly and in the national interest.

Mr. President, the Senate has indicated its intent on the budget issue. The Senate has acted on several occasions to put the Export-Import Bank back in the budget.

In the Congressional Budget Act, the Senate voted to put Eximbank back in the budget, along with several other agencies which have been similarly exempted from the budget by provisions of law.

Indeed, the Export-Import Bank was in the budget until 1971. The Senate recognized that the concept of congressional budget control would not have any meaning so long as major agencies lending out billions of dollars of Federal Government money were outside of the budget. The Eximbank is the largest of these agencies, and it currently runs an effective budget deficit of \$1.6 billion—slated to rise to over \$3 billion by fiscal year 1978. By putting it out of the budget, we pretend that \$3 billion does not exist.

The Senate put the Bank back in the budget in the budget control bill; the House rejected this provision in conference, so we ended up simply with a requirement to study this question on a continuing basis.

In a time of inflation and increased concern for fiscal responsibility, in a time of tight money and high interest rates, when every other borrower is put to the test because it is so hard to pay those high interest rates, so hard to get the funds, exporters are given this special consideration for no justifiable reason.

In its consideration of this Export-Import Bank Act extension, the Senate voted once again to put the Bank back in the budget—on a rollcall vote of 41 to 32. The Senate said it wanted to start now to put teeth in the Congressional Budget Act; it wanted to act now while the opportunity was before it to close this largest loophole in our budget process.

The House threw out this budget amendment in conference.

The Senate rejected the first conference report on the Eximbank extension because it failed to contain all the major restrictions which the Senate had placed on the Bank's authority. The Senate sent this bill back to conference, with instructions to the conferees to insist—I repeat, insist—on the Senate bill.

The conferees sent the Senate a second conference report which still did not reflect the intent of the Senate. It contained only a couple of concessions to the Senate's concerns, and once again it threw out the budget amendment wholesale. The House conferees were adamant; the Senate conferees failed to stand

firm—despite the efforts of the distinguished Senator from Illinois (Mr. STEVENSON), who has guided this bill through the Senate, who did a good job in my view, in the conference.

Now is the time. We have this bill before us. This is the year that Congress has recognized its real responsibility to insure the integrity of the budget process, to carve out an effective role for Congress in achieving fiscal responsibility. Now is the time when we see clearly that we cannot allow ruinous inflationary trends to continue unchecked; we cannot turn our backs on the need to carefully scrutinize Federal spending in all forms.

Mr. President, I urge my colleagues to vote against cloture and to continue debate on the Export-Import Bank Act legislation to get a bill acceptable to the Senate.

I am convinced that if we can do this, we shall be in a strong position to send this conference report back to the conferees and get the kind of agreement we should have.

Mr. President, I reserve the remainder of my time.

Mr. STEVENSON. Mr. President, as the author of most of the reforms and restraints to which the Senator from Wisconsin has referred, I, of course, share with him many of the concerns which he has expressed about this conference report. However, the issue before the Senate is not the conference report. The issue before the Senate is whether the Senate will have an opportunity to vote on the conference report.

The conference report itself reflects a great deal of progress. We started in this session of Congress from zero. There were no congressional restraints over the Eximbank, no provisions in the law for congressional review, and there had not been a congressional examination of the Eximbank and its activities for many, many years. This conference report reflects not only many reforms, but also a concession by the House conferees to the Senate position on at least half the issues which were in dispute between the House and the Senate. It also reflects concession by the House conferees on most of the principal issues in dispute between the House and the Senate.

It includes a new requirement that will require prenotification to Congress of all of Eximbank transactions involving an Eximbank commitment of \$60 million anywhere in the world, with an opportunity for Congress, again by affirmative action, to disapprove.

It also requires, as a result of the amendment offered by Senator CHURCH on the Senate floor, notification to Congress of any proposed Eximbank participation in a fossil fuel energy project in the Soviet Union, if that participation would cost more than \$25 million, again with an opportunity for disapproval by Congress.

What is more, Mr. President, it also includes a subceiling of \$300 million for additional credits to the Soviet Union. The only point at which the conferees have failed to sustain the Senate position was on the amendment offered by the

Senator from Wisconsin, the amendment which placed the budget of the Eximbank into the budget of the Federal Government.

That, Mr. President, is a matter which the Budget Committees of Congress will be addressing within the next year, and it is expected that the Budget Committees, after studying the matter, will make recommendations upon which Congress can act within a year. That matter will, therefore, be back before Congress in the near future. And what is more, Mr. President, since we reduced by \$5 billion the authorization sought by the Bank, the Bank itself will in all likelihood be back before Congress seeking additional authorizations, first for loans to the Soviet Union, but also for loans and other transactions everywhere else in the world, within a year or at most 2 years. At that point all these matters can again be reviewed by Congress.

In summary, it was a good conference. On balance, the Senate position has prevailed. The Senate position reflects the first major reforms in a very long time, and the first provision ever for congressional review of Bank activities.

What is more, Mr. President, the issue now is whether the Senate will have an opportunity to vote on this conference report, not on the merits of the conference report. The subject of the Export-Import Bank and its activities has been before the Senate on six or seven occasions in the last year. It has come up in four continuing resolutions, which have kept the Bank alive. It came up when the Senate bill was passed, and also on other occasions. It has been fully debated, and the issues are not difficult to decide.

The hour is late in this session of Congress. No one gains by continuing the Bank in its present state of limbo. I submit, Mr. President, that the time has come to vote up or down on the conference report. Consequently, I urge my colleagues to support this motion for cloture.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the Senator from Nevada.

Mr. CANNON. Mr. President, I agree with the Senator from Wisconsin. I hope that we will not impose cloture on this bill.

In fiscal year 1974 the Eximbank loaned \$3.9 billion in direct loans. The interest rates for these loans were an outrageously low 6 and 7 percent. During the same period Americans were paying nearly twice that rate. The prime rate had skyrocketed to 12 percent. The disparity between these low-interest subsidies that the Bank allows and the prime rate have not been adjusted, even while the American economy suffered setback after setback. How long will we allow the Bank to continue subsidizing foreign businesses while our own businesses suffer at home?

The Bank answers that these cutrate loans are necessary to allow American exporters to meet foreign competition. Yet, Mr. President, I ask: What price must we pay? The plain fact is that 96 percent of our exports are made without Eximbank loans.

These cutrate loans are not of importance in maintaining our national export level. The majority of our small exporters never even get these loans. Where and to whom are these exports made? Nearly a third of all Eximbank direct loans go to finance the sale of American aircraft despite the fact that the United States is the sole leader in aircraft design and manufacturing. The argument put forth by the Bank that there is competition does not hold up under close scrutiny. The United States is the only nation capable of providing the needed service and design functions required for these aircraft. Competition is nearly nonexistent.

These low-interest loans have yet another dimension. The U.S.-flag international carriers compete for traffic between the United States and foreign countries with 59 foreign carriers.

We are all aware of the extremely serious financial situation of the major U.S. airlines. Because of the Eximbank, competitive inequality exists between United States and foreign carriers. This inequality is the great difference in interest rates granted by the Bank to foreign carriers.

Under the present law, the Eximbank assists foreign carriers who are in direct competition with U.S.-flag carriers in the financing of their aircraft acquisitions. Interest rates made available to the foreign carriers by the Eximbank are lower than those the U.S.-flag carriers are able to obtain in the commercial market. In order to finance the enormous outlays required for the purchase of aircraft, U.S. companies must pay top interest rates in the U.S. money market. The rate presently available from the Eximbank, however, which includes the guarantee to private lenders is now set at 7 percent and 8 percent.

In the 17 years ending with fiscal year 1973, the Bank extended credit for the export of aircraft amounting to \$4.7 billion. In 1973, credits for aircraft financing accounted for 28.6 percent of the total credits extended by the bank. These loans and guarantees represent a total aircraft sales value of approximately \$9.4 billion.

The major foreign airlines of the world have taken advantage of the excellent financing available from the Eximbank. United States and foreign flag carriers alike have found that these U.S.-built aircraft best answer their needs for serving the traveling public. The activity continues today despite the troubled state of our air transportation industry.

Mr. President, we have heard a lot about the booming economy in Japan. Yet Japan Air Lines, the principal competitor of U.S. airlines in the Pacific, appears to have received by far the largest amount of Eximbank loans among the foreign airlines. From 1956 through fiscal 1972 Japan Air Lines had received 19 Eximbank loans totaling \$287.7 million to assist in acquiring purchases of U.S. manufactured aircraft. These loans cover sales of approximately \$839 million. For the 5-year period ending in fiscal 1972, Eximbank loans to Japan Air Lines amounted to approximately \$200

million, supporting aircraft purchases of about \$500 million. These credits for an airline whose country's balance of trade payments relations with the United States was in a very favorable position indicate the substantial desirability to foreign carriers of not using the open market to obtain financing of aircraft purchases.

Mr. President, I could go on and on. Another example of the use by major foreign air carriers' use of Eximbank financing involves the recent sale of 747's to British Airways—BOAC. In August of 1973 BOAC obtained a direct loan of \$21,380,000 or 40 percent of the U.S. cost of this aircraft. Additional private financing of \$13.3 million or 25 percent of the total was made available by private British financial sources and \$7,980,000 or 15 percent by a New York bank. BOAC made a cash payment of \$10,640,000. The rate of interest to be applied to the Eximbank portion of the financing was 6 percent and repayment scheduled to be in 10 semiannual installments beginning in May of 1979. The repayment to Eximbank was to follow after the other debts incurred in the transaction have been repaid. It is interesting to note that British Airways has purchased a total of 15 747's, all of which have been financed with Eximbank's assistance. And there are many, many other examples involving countries where we are direct and heavy competitors in this business.

I hope my colleagues will not vote for cloture, that this bill will go back to conference, and that we will get some reasonable restrictions that the Senate made it clear we intended to get when the bill was before us last.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, will the Senator from Illinois yield me 5 minutes?

Mr. STEVENSON. I yield 5 minutes to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, the Senator from Illinois put it very well. We have not discussed this morning, nor earlier this week, nor for the past 3 months, on the subject of the Export-Import Bank, a single new issue. We have extended the life of the bank four times, and every time we came here to consider an extension, we talked about the same thing: Should the bank be in the budget or should it not be in the budget? Should Congress act as a senior loan review committee, and ratify all energy projects and other projects, or should we not? We have had votes in the Senate and gone to conference. We turned down one conference report, we went back and got some changes, and we are back here, and there still is not a new fact being discussed.

If those Senators who are opposed to the Export-Import Bank want to continue to oppose it, let us get to a vote on the merits, turn down the conference report, and kill the bank. Let us at least invoke cloture and take the 100 hours we have to talk about whether these loans should be subsidized.

They are not substantially different

from a variety of other subsidized loan projects the Government involves itself in, though it is true the others are domestic. The purpose is to encourage exports; not at a loss, the bank has to recover its money. But there is no point to going back to conference and arguing again about whether or not the bank should be in or out of the overall budget. The Senator from Maine is going to review that and all the other budgets, and give us some recommendation as to whether it ought to be in or out.

I am asking now that the Senate act like a Senate, and give us a chance to vote on the merits of an issue that has been debated, debated, and debated over and over and over for the past 6 months on this floor, until there is not a new word left to be said pro or con by anyone on this subject.

The PRESIDING OFFICER. Who yields time?

Mr. SCHWEIKER. I yield a minute and a half to the Senator from Idaho (Mr. CHURCH).

Mr. CHURCH. Mr. President, passage of cloture means passage of this bill. Passage of this bill will open the way for one, perhaps two, gigantic projects within the Soviet Union for the development of natural gas in liquefied form which will be paid for by American capital.

The risk of these projects would be borne by the Government of the United States. Any profit from these projects will be enjoyed by three or four great multinational corporations, and we will be fastened into a high price for natural gas for the next 25 years as related to the temporary high levels of crude prices today.

Furthermore, we would become, our coast areas east and west would become, dependent upon the Soviet Union for between 10 and 15 percent of energy supplies in the field of natural gas.

I hope we will not go forward with such projects without demanding congressional approval. Right now we make the decision which closes the door for further opportunity for Congress to protect the vital interests of the American people in this regard.

Therefore, I hope that the Senate will vote against cloture.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. Mr. President, I yield 1 minute to the Senator from Vermont (Mr. AIKEN).

Mr. AIKEN. Mr. President, contrary to my usual practice, I shall vote for cloture on this bill because passage of it means so much not only to the people of my State but to the whole of the United States.

I do not know how many exporting businesses are affected by it, but I have heard very vigorously from two, the industrial manufacturers, particularly the machine tool industry, and the dairy industry. We are now exporting almost every month millions of dollars' worth of high-grade cattle, largely Holsteins and Hereford but, nevertheless, other breeds are included also.

They are mostly shipped by air, so I am sure that this industry is contribut-

ing to the people who operate the airlines as well. I believe only one country requires them to go by boat.

These exporters, the dairy industry, I might say, and the machine tool industry depend very largely upon the Eximbank for their continued and increasing exports to other countries.

So I feel that if this Eximbank now fails we are bound to see a considerable increase in unemployment, particularly in our industrial plants which make machines and machine tools and the parts that are necessary to keep the machines in repair.

The PRESIDING OFFICER. Who yields time? The Senator from Pennsylvania has 1½ minutes remaining. The Senator from Illinois' time has expired.

Mr. SCHWEIKER. Mr. President, I yield myself the remaining time.

Mr. President, in the brief time remaining I just want to point out that in the last 18 months we have had four separate indications of a pending Soviet energy deal. In spite of the denials that no such deal exists, here is a House report of June 10, 1973, outlining two proposed deals for Yakutsk and North Star of nearly \$10 to \$12 billion; that was 18 months ago.

Then more recently we have a story in the Washington Post of October 11 of this year "Soviets and Gulf Oil Sign Agreement," a second indication of this great, big iceberg that everybody denies exists, which we are so far not willing to ban in the conference report. That is what the issue is all about.

Then a third report here in the Washington Star-News of November 23, 1974, "Siberian Gas Pact." This indicates that the deal is very alive and well.

Then only this week, in response to my distinguished colleague, the Senator from Oregon, who says there is nothing new, there is a new story in the Washington Post saying the Japanese have signed a proposal that would, in essence, commit us to an energy deal for \$100 million; a \$3 billion project, and it is contingent on Eximbank financing.

It could not be a clearer signal that we are going to send 7 percent money to the Soviet Union to buy natural gas for Japan and maybe ourselves—if they do not cut us off.

I cannot think of a better reason to oppose this conference report and to vote against the cloture motion than this.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate under the unanimous consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, the Export-Import Bank Act Amendment.

Bob Packwood, Adlai E. Stevenson III,

Robert C. Byrd, Alan Cranston, John V. Tunney, John Tower, Warren G. Magnuson, Robert P. Griffin, Paul J. Fannin, Clifford P. Case, Hiram L. Fong, Hugh Scott, Jacob K. Javits, Lee Metcalf, Dick Clark, and Claiborne Pell.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

	[No. 542 Leg.]	
Aiken	Domenici	Pearson
Allen	Dominick	Percy
Baker	Hart	Proxmire
Beall	Inouye	Schweiker
Biden	McClellan	Sparkman
Burdick	McGee	Stennis
Byrd, Robert C.	McIntyre	Stevenson
Cannon	Metzenbaum	Thurmond
Case	Muskie	Tunney
Church	Packwood	Williams
Cook	Pastore	

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Gravel	Moss
Bartlett	Griffin	Nelson
Bayh	Gurney	Nunn
Bennett	Hansen	Pell
Bentsen	Haskell	Randolph
Bible	Helms	Ribicoff
Brock	Hollings	Roth
Brooke	Hruska	Scott, Hugh
Buckley	Humphrey	Scott,
Clark	Jackson	William L.
Cranston	Javits	Stafford
Curtis	Long	Stevens
Dole	Magnuson	Symington
Eagleton	Mathias	Taft
Ervin	McClure	Talmadge
Fannin	McGovern	Welcker
Fong	Metcalf	Young
Fulbright	Mondale	

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the adoption of the conference report on H.R. 15977, the Export-Import Bank Act amendment, shall be brought to a close?

The yeas and nays are mandatory under the rules.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Mexico

(Mr. MONTOYA), and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Maine (Mr. HATHAWAY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The yeas and nays resulted—yeas 49, nays 35, as follows:

[No. 543 Leg.]

YEAS—49

Aiken	Fulbright	Pastore
Baker	Griffin	Pearson
Beall	Hansen	Pell
Bennett	Hart	Percy
Bentsen	Hruska	Randolph
Biden	Humphrey	Roth
Brook	Inouye	Scott, Hugh
Brooke	Javits	Stafford
Buckley	Magnuson	Stevens
Byrd, Robert C.	Mathias	Stevenson
Clark	McGee	Taft
Cook	McGovern	Thurmond
Cranston	Metzenbaum	Tunney
Curtis	Mondale	Weicker
Domenick	Moss	Williams
Fannin	Muskie	
Fong	Packwood	

NAYS—35

Abourezk	Ervin	Nelson
Allen	Gravel	Nunn
Bartlett	Gurney	Proxmire
Bayh	Haskell	Ribicoff
Bible	Helms	Schweiker
Burdick	Hollings	Scott
Cannon	Jackson	William L.
Case	Long	Sparkman
Church	McClellan	Stennis
Dole	McClure	Symington
Domenick	McIntyre	Talmadge
Eagleton	Metcalf	Young

NOT VOTING—16

Bellmon	Goldwater	Johnston
Byrd	Hartke	Kennedy
Chiles	Hatfield	Mansfield
Cotton	Hathaway	Montoya
Eastland	Huddleston	Tower
	Hughes	

The PRESIDING OFFICER (Mr. BIDEN). On this vote there are 49 yeas and 35 nays. Two-thirds of the Senators present and voting not having voted in the affirmative, the cloture motion is not agreed to.

Mr. SCHWEIKER. Mr. President, I move to recommit the conference report.

We know that the time is late on this bill. We do not intend to hold the Members any longer. I think the Senate has expressed its will. We do not intend to debate this motion.

Mr. PROXMIRE. Mr. President, if the Senator will yield on that, let me say that what we are trying to do in recommitting the conference report is not to kill the Export-Import Bank but to give the con-

feres an opportunity to work out a fair compromise for the Senate.

We have documented this again and again, pointing out that the House has said that this is the greatest, most overwhelming victory they have ever had on any conference report.

Under the circumstances, I would hope that we would send this matter back to conference for one more try. I think many of us are very anxious to get an agreement on the Eximbank with which we can live.

So I do hope the Senate can vote properly on this and send it back to conference, and give us one more crack at it.

Mr. STEVENSON. Mr. President, in the last conference, the House went more than half way with the Senate. We have done as well as we can do in this conference. I urge the Members to vote against the motion to recommit. There will be another effort made to invoke cloture on Monday. If that effort then fails, that will be the time to consider a motion to recommit, or what action should be taken in order to keep the Eximbank alive.

Mr. President, I ask for the yeas and nays on this.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania to recommit. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. The Senators cannot hear their names being called, nor can the clerk hear the responses. The Senators will please refrain from conversing in the Chamber.

The clerk may proceed.

The legislative clerk resumed calling the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask that we have order in the Senate.

The PRESIDING OFFICER. The Senate will please come to order so that the Senators may be aware of how they are recorded. The Senators will please refrain from conversing in the Chamber.

The clerk may proceed.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Mexico (Mr. MONTOYA), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

I also announce that the Senator from

Maine (Mr. HATHAWAY) is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Maine (Mr. HATHAWAY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) and the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 41, nays 43, as follows:

[No. 544 Leg.]

YEAS—41

Abourezk	Eagleton	Metcalf
Allen	Ervin	Metzenbaum
Bartlett	Gravel	Nelson
Bayh	Gurney	Nunn
Bible	Haskell	Pell
Biden	Helms	Proxmire
Buckley	Hollings	Randolph
Burdick	Jackson	Ribicoff
Cannon	Long	Schweiker
Case	Magnuson	Scott
Church	McClellan	William L.
Dole	McClure	Stennis
Domenick	McGovern	Symington
Dominick	McIntyre	Talmadge

NAYS—43

Aiken	Griffin	Percy
Baker	Hansen	Roth
Beall	Hart	Scott, Hugh
Bennett	Hruska	Sparkman
Bentsen	Humphrey	Stafford
Brook	Inouye	Stevens
Brooke	Javits	Stevenson
Byrd, Robert C.	Mathias	Taft
Clark	McGee	Thurmond
Cook	Mondale	Tunney
Cranston	Moss	Weicker
Curtis	Muskie	Williams
Fannin	Packwood	Young
Fong	Pastore	
Fulbright	Pearson	

NOT VOTING—16

Bellmon	Goldwater	Johnston
Byrd	Hartke	Kennedy
Chiles	Hatfield	Mansfield
Cotton	Hathaway	Montoya
Eastland	Huddleston	Tower
	Hughes	

So the motion to recommit was rejected.

Mr. ROBERT C. BYRD. Mr. President I ask that the Senator from Nevada (Mr. BIBLE) be recognized for not to exceed 5 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BIBLE. I thank the Senator from West Virginia.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

The Senator may proceed.

GOLDEN GATE NATIONAL RECREATION AREA, CALIF.

Mr. BIBLE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 10834.

The PRESIDING OFFICER (Mr. BIDEN) laid before the Senate a message from the House of Representatives an-

nouncing its action on certain amendments of the Senate to House bill 10834, which was read as follows:

Resolved, That the House agree to the amendments of the Senate numbered 2, 4, 7, 8, 9, 10, and 11 to the bill (H.R. 10834) entitled "An Act to amend the Act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, California, and for other purposes."

In lieu of the matter proposed to be inserted by the said amendment, insert: 003-G.

Resolved, That the House agree to the amendment of the Senate numbered 3 to the aforesaid bill with the following amendment:

In lieu of the matter stricken and inserted by said amendment, insert: approximately 265 acres, including approximately 30 acres known as South Ridge Lands: *Provided*, That the Secretary is authorized to acquire such interest as he deemed reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection.

Resolved, That the House disagree to the amendments of the Senate numbered 5 and 6 to the aforesaid bill.

Mr. BIBLE. Mr. President, the House accepted most of the amendments offered on this bill by the Senate. However, the bill's sponsor, Mr. BURTON, insists on amendments numbered 5 and 6 and has agreed to amendments numbered 1 and 3 with amendments.

In order to avoid a conference, I move that the Senate concur in the amendments of the House to amendments numbered 1 and 3, and that the Senate recede from its amendments numbered 5 and 6.

This has been cleared on both sides of the aisle.

The motion was agreed to.

Mr. BIBLE. Mr. President, I yield the floor.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15977) to amend the Export-Import Bank Act of 1945, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a cloture motion, and ask that it be stated.

The PRESIDING OFFICER (Mr. BIDEN). The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the adoption of the conference report on H.R. 15977, the Export-Import Bank Act Amendment.

Edward W. Brooke, Hugh Scott, Robert P. Griffin, John O. Pastore, James B. Pearson, Bob Packwood, Alan Cranston, Thomas J. McIntyre, Gale W. McGee, Daniel K. Inouye, Frank E. Moss, Floyd K. Haskell, Robert Taft, Jr., Robert T. Stafford, Jacob K. Javits, Adlai E. Stevenson, Lee Metcalf, and Walter F. Mondale.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I am told that the military construction authorization conference report is ready to be submitted, and that it will not require more than 10 or 15 minutes, in all likelihood. At the moment, while we are awaiting the papers on that conference report, I ask unanimous consent that the Senate proceed, for not more than 10 minutes, to the consideration of Calendar Order No. 1200.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON GOVERNMENT OPERATIONS FOR INQUIRIES AND INVESTIGATIONS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

The Senate proceeded to consider the resolution (S. Res. 389) authorizing supplemental expenditures by the Committee on Government Operations for inquiries and investigations by the Permanent Subcommittee on Investigations, which had been reported from the Committee on Government Operations with amendments, in line 4, to strike "\$2,184,000" and insert "\$2,168,000" in lieu thereof; in line 6, to strike "\$1,121,000" and insert "\$1,105,000" in lieu thereof; and in line 8, to strike "\$2,204,000" and insert "\$2,188,000" in lieu thereof, so as to make the resolution read:

Resolved, That S. Res. 269, Ninety-third Congress, agreed to March 1, 1974, is further amended as follows:

- (1) In section 3 strike out "\$2,099,000" and insert in lieu thereof "\$2,168,000".
- (2) In section 4(a) strike out "\$1,036,000" and insert in lieu thereof "\$1,105,000".
- (3) In section 10 strike out "\$2,119,000" and insert in lieu thereof "\$2,188,000".

PRIVILEGE OF THE FLOOR

Mr. PERCY. Mr. President, I ask unanimous consent that Howard Feldman, majority counsel for the permanent Subcommittee on Investigations of the Committee on Government Operations, be permitted access to the floor during the consideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I have an amendment which I send to the desk and ask the clerk to state.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

- (1) In section 3 strike out "\$2,168,000" and insert in lieu thereof "\$2,176,000".
- (2) In section 4(a) strike out "\$1,105,000" and insert in lieu thereof "\$1,113,000".
- (3) In section 10 strike out "\$2,188,000" and insert in lieu thereof "\$2,196,000".

Mr. PERCY. The purpose of this amendment is simply to increase the amount previously agreed to by the Committee on Rules and Administration by \$8,000.

Mr. JACKSON. Mr. President, I am prepared to accept the amendment.

Mr. PERCY. Mr. President, I move that the committee amendments be con-

sidered and agreed to en bloc, and the resolution, as this agreed to, be treated as original text.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. PERCY. Mr. President, I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to Mr. PERCY's amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution (S. Res. 389), as amended, was agreed to as follows:

S. RES. 389

Resolved, That S. Res. 269, Ninety-third Congress, agreed to March 1, 1974, is further amended as follows:

- (1) In section 3 strike out "\$2,099,000" and insert in lieu thereof "\$2,176,000".
- (2) In section 4(a) strike out "\$1,036,000" and insert in lieu thereof "\$1,113,000".
- (3) In section 10 strike out "\$2,119,000" and insert in lieu thereof "\$2,196,000".

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion was agreed to.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. ROBERT C. BYRD. Mr. President, the Senate is about to proceed with the consideration of the conference report on the military construction authorization bill. I understand it will not take over 10 or 15 or 20 minutes, so, if Senators will stay around, there could be a request for a rollcall vote on that bill. I do not know that there will be, but Senators should stay around.

Once that conference report is disposed of, I would not then expect any other rollcall votes today.

Mr. STENNIS. Mr. President, may we have order so that the Senator from Missouri may be heard?

MILITARY CONSTRUCTION AUTHORIZATION ACT—CONFERENCE REPORT

Mr. SYMINGTON. Mr. President, I submit a report of the committee of conference on H.R. 16136, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 16136) to authorize certain construction at military installations, and for other purposes having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 10, 1974, at p. 38799.)

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Missouri.

Mr. SYMINGTON. Mr. President, I move the adoption of the conference report on the military construction authorization bill for fiscal year 1975, and, in connection therewith, I have a brief statement.

The report was signed by all the conferees of the House and Senate, and has been agreed to by the House.

The bill as agreed to will provide new construction authority in the amount of \$2,984,378,000, which is \$294,002,000 below the departmental request, for a net reduction of about 9 percent.

There were approximately 130 items to be reconciled by the conference committee. The new authority agreed upon is about \$43.5 million below the amount approved by the Senate and approximately \$48.6 million above the amount approved by the House of Representatives. It can therefore be seen that the monetary differences between the two Houses was quite evenly divided.

All items in conference were settled with one exception. This exception being the proposed expansion of the naval facility on the British-owned island of Diego Garcia in the Indian Ocean.

Since I believe this matter is familiar to the membership, I will refer only briefly to the background.

You will recall, Mr. President, that the Navy's proposal to expand the naval communications station at Diego Garcia into a support station to accommodate a carrier task force first came before the Congress earlier this year as a part of the supplemental authorization bill for fiscal year 1974. The matter was deferred for consideration with the fiscal year 1975 military construction authorization bill.

Consistent with the Department's original request, the House of Representatives included in the fiscal year 1975 authorization bill \$29 million for the Navy and granted an Air Force request of \$3.3 million for the desired expansion at Diego Garcia.

The Senate-passed bill provided \$14.8 million for a first increment of the proposed Navy construction, and \$3.3 million for Air Force contingency facilities. Recognizing that the defense and foreign policy implications of the construction at Diego Garcia are much broader than the \$32.3 million request would suggest, it was felt the matter should be reevaluated by the new administration. It was further believed that there should be an opportunity for full debate on the expansion at Diego Garcia as a policy matter.

In light of this, there was included in the Senate bill a provision to preclude the obligation of any of the funds authorized for the expansion until the United States had advised the Congress in writing that he had evaluated all military and foreign policy implications regarding the need for these facilities, and had certified that this construction is essential to the national interest. Such certification would be submitted to the Congress and approved by both Houses of the Congress.

You will recall, Mr. President, that this particular provision was strongly supported by the Senate, as indicated by a vote of 83 to 0.

The House conferees readily acceded to the Senate figure, since the Navy did not request restoration of the funds withheld by the Senate. There was, however, opposition by the House conferees to the Senate language provision, they arguing that it would allow legislation by inaction, and insisting that some language be used that would permit either House of Congress to prohibit the obligation of funds for Diego Garcia by a resolution of disapproval of that House.

I am pleased to inform the Senate that language was worked out that satisfies the House and accomplishes the purpose intended by the Senate.

This provision provides that none of the funds authorized to be appropriated under this act for the construction at Diego Garcia could be obligated until certain specified conditions are met. These require that the President certify to the Congress in writing an evaluation by him of the need for, and the essentiality of, these facilities. Further, 60 days of continuous session of Congress—and this could not be more important from the standpoint of the chairman of the subcommittee, myself—must have expired following the certification—with the further condition that within that 60-day period either the House or the Senate may pass a resolution of disapproval for the project, thereby precluding obligation of any funds authorized pursuant to this act for the project.

Language was also included which in substance precludes parliamentary tactics aimed at delaying a vote on the Senate floor regarding a resolution of disapproval.

Mr. President, I believe I can assure you there will be an opportunity for full debate of this matter on the floor of the Senate and that it will be put to a proper vote.

I would add to that, Mr. President, I would not have signed the conference report if I had not been assured by the distinguished chairman of the full committee, the Senator from Mississippi, and the ranking member on the other side of the aisle, the distinguished Senator from South Carolina, as well as the other members of the conference on the Senate side, that there would not be an effort to filibuster this matter and it would be discussed in detail on the Senate floor.

Under these circumstances, I agreed to sign the report, and the language is included which in substance precludes any parliamentary tactics.

I emphasize this because I realize that without such language, it could well never be discussed the way that I assured the majority leader before he left, that it would be discussed on the floor of the Senate.

Mr. President, I believe, as I assure the Chair and the Senate today, that there will be an open and full debate on this matter on the floor of the Senate and that it will be put to a proper vote.

Under these circumstances, I recommend that the bill be passed.

I would like to thank the distinguished

chairman of the full committee for his invariable courtesy and understanding even though we do not agree on this particular matter. I would also like to thank the ranking minority member for his invariable courtesy as we discussed this matter on the same basis.

Mr. PELL. Mr. President, I would like to express my own delight that, at least, more than half the loaf with regard to the amendment concerning Diego Garcia has remained in this provision.

I am disappointed, naturally, that the situation is being turned around so that it does not require an affirmative vote by the Senate in order to go ahead, but merely there should not be a negative vote in order for it to go ahead, but I know the Senator from Missouri did his darndest to preserve the Senate position. I know the Senator from Mississippi did his best to preserve the Senate position. I am glad we have as much as we have.

I think the explanation the Senator from Missouri gave was very important, particularly concerning that no parliamentary tactics be used to delay vote on it since the 60-day period would have expired.

I want to express again my own thought that this expansion in Diego Garcia is wrong and counterproductive, but I recognize that the Senator from Missouri is well aware of that position.

Mr. SYMINGTON. I thank my able friend from Rhode Island for his contribution to this matter.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Maryland.

Mr. MATHIAS. I am very much interested in the explanation given by the distinguished Senator from Missouri and I have been reassured by his own personal confidence in the arrangements that have been made, particularly by his assurances on the question of any parliamentary maneuver which might prevent the Senate from working its will at an appropriate time.

However, this further question: Is it the very clear understanding of the Senator that the Department of Defense is prepared to honor that 60-day waiting period and that there will be no attempt to anticipate the action of the Congress before the expiration of that time?

Mr. SYMINGTON. Let me say to the able Senator from Maryland that I do not know of any way that the Department of Defense could circumvent the agreement made by, to the best of my knowledge, all the conferees in the Senate who were present that they would guarantee that this matter would come up for discussion on the floor of the Senate before it was passed.

I have, in turn, been questioned about this rather sharply by members of the Senate Appropriations Committee and I have made them that assurance. And because of the fact that we all have great respect for the integrity of the chairman of the full committee, I see no way that the Pentagon building could circumvent this decision.

Mr. STENNIS. The Senator is right.

Mr. MATHIAS. Well, I am very glad to have that understanding and have it

reinforced by the Senator from Missouri, and have it reinforced, as it has been by the distinguished Senator from Mississippi.

Mr. STENNIS. If the Senator will yield, on that very point only, as one who was strongly in favor of Diego Garcia being built into a stronger reservoir and coaling station, as I called it in the old days, I do not think there is a chance for anyone anywhere, in or out of the Department of Defense, to circumvent the provisions that have been put in this bill.

I, therefore, support the Senator from Missouri fully. I thank him and commend him, at the same time, for his work on the bill, including this provision here.

Mr. MATHIAS. I thank both the Senator from Missouri and the Senator from Mississippi.

Mr. SYMINGTON. I thank the able Senator, and I thank my distinguished chairman from Mississippi for his kind remarks.

I would like to give, as usual, great credit to the gentleman on the staff, Mr. Gordon Nease, who worked out the details of this bill and was also involved in the compromise obtained.

Mr. THURMOND. Mr. President, I rise in support of the conference report on the fiscal year 1975 military construction authorization bill as reported to the Senate by the distinguished senior Senator from Missouri, Mr. SYMINGTON.

The conferees agreed to a new authorized authorization in the amount of \$2,984,378,000. The agreed upon total is approximately \$34 million below that approved by the Senate.

When viewed against the administration's request, the final total agreed upon by the conferees reduces the Department of Defense figures by \$294 million. This agreed upon total should be adequate to meet the high priority items in the military construction requirements document. While it is not all that the services might want, it is a good compromise between the bill as approved by the two legislative bodies.

Mr. President, one of the most important items in the fiscal year 1975 bill involved support facilities to Diego Garcia, a tiny British-owned island in the Indian Ocean.

Last spring the administration requested in the fiscal year 1974 supplemental bill \$32 million to upgrade the port and airfield facilities on this island. At that time the House approved this request, but because of the Senate's desire for closer study of the Diego Garcia program, our committee agreed to defer it for action in the fiscal year 1975 program.

As a result, the Senate Armed Services Committee reduced the expansion to a level of spending in the amount of \$18.1 million, while the House once again approved the full amount. Of the \$18.1 million allowed by the Senate, approximately \$14.8 million was scheduled to expand Navy facilities, and about \$3.3 million was scheduled to expand Air Force facilities.

In the conference the House was ada-

mant in allowing the full sum, but after extensive discussions the conferees agreed upon the Senate sum of \$18.1 million, with other provisos.

These provisos primarily involved:

First. Requirement of the President to certify in writing to the Congress that the need of the new facilities on Diego Garcia had been evaluated by him and are essential to the national interest.

Second. Further, 60 days of continuous session of Congress must have expired following the certification with the further condition that within that 60-day period either the House or the Senate may pass a resolution of disapproval for the project, thereby precluding obligation of any funds.

Third. At the insistence of the Senate conferees, additional language was added to the conference report which provides in substance that parliamentary tactics aimed at delaying a vote on the Senate floor regarding a resolution of disapproval will be precluded.

Mr. President, frankly, I would have favored less restrictions on expansion of the Diego Garcia facility. However, it is my feeling that the conference agreement does provide either House an opportunity to further express its views if they choose to do so.

Presently the limited facilities on Diego Garcia will not support any significant naval presence in the Indian Ocean should such a deployment become necessary in the future. As a result of the Middle East war, our Government found it necessary to deploy to the Indian Ocean a carrier task force in addition to the small fleet representation already there. Supply lines for this commitment stretched all the way back to the Pacific Ocean in the Far East, and made this operation costly and less effective than would be the case had Diego Garcia been expanded.

With the opening of the Suez Canal and the continued necessity of keeping our sealanes operating, it is my strong opinion that this limited expansion of facilities in the Indian Ocean will serve the best interests of our Nation and peace in the world.

Just recently, the Secretary of the Navy, the Honorable J. William Mendenhall II, visited the Middle East. He noted that at the time of his visit the Soviets had 39 ships deployed in the Indian Ocean—I repeat, 39 ships—Persian Gulf and Red Sea. These deployments were along our sealanes of communication to the vital oil producing nations of the Middle East.

This is but one example of why we need to increase our facilities on Diego Garcia. There are no plans to escalate our deployments in that area of the world, but should actions by other countries require such a deployment, we should be prepared to respond quickly and effectively to protect our own interest and help insure peace throughout the world.

Mr. President, I urge prompt approval of this conference report as reported by our distinguished conference chairman, the senior Senator from Missouri. As always, he conducted this conference in

the objective and efficient way in which he accomplishes everything he undertakes.

Before closing I would also like to commend the distinguished chairman of the Senate Armed Services Committee, whose leadership was instrumental in bringing the conference to an agreement on the difficult Diego Garcia issue.

Beside my thanks to the other conferees, I would like to especially thank those on my side of the aisle, Senators JOHN TOWER and PETER DOMINICK.

Mr. President, I would also like to express my deep appreciation to the Senate staff member who so efficiently handled these matters, Mr. Gordon Nease.

Mr. ROTH. Mr. President, I am pleased that the House-Senate conferees accepted my amendment to the Military Construction Act to prohibit the installation of central air-conditioning in all military housing in Hawaii.

According to a study by the General Accounting Office, this amendment will save the taxpayers \$100 million in installation costs and millions more in maintenance costs over the next few years. It is consistent with our energy conservation programs.

Hawaii has a well-deserved reputation for its climatic conditions which are close to ideal. The National Oceanic and Atmosphere Administration reports that because of the cooling effects of trade winds, summers in Hawaii are "warm but not hot, so that air-conditioning is a luxury rather than a necessity." Central air-conditioning is rarely found in private housing in our 50th State. Hawaii has never been regarded as a hardship post for our military. Some time ago, however, Defense officials in Washington—not in Hawaii—decided to require central air-conditioning on all new military housing, even though the three military services, which have had long experience in Hawaii, objected that this was unnecessary and expensive. When a questionnaire was sent to military personnel serving in Hawaii, an overwhelming majority responded that air-conditioning was unnecessary.

It seems hard to convince some people that tax dollars do not grow on trees. Central air-conditioning in Hawaii is the kind of luxury—both in terms of the budget and in terms of energy consumption—that the Nation simply cannot afford. Although this amendment effects but a small reduction in our overall Federal budget and defense budget, I hope that it will have a larger impact by indicating to our bureaucracy that Congress is serious about limiting Government spending to necessities.

The PRESIDING OFFICER. The question is on agreeing to the conference report. [Putting the question.]

The conference report was agreed to. Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today.

ORDER AUTHORIZING THE SENATE FINANCE COMMITTEE TO MEET DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Finance Committee may be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1265, Calendar Order No. 1268, Calendar Order No. 1275, and Calendar Order No. 1276.

RETIRED PAY TO CERTAIN RESERVISTS

The Senate proceeded to consider the bill (S. 3283) to amend ch. 67 of title 10, United States Code, to grant eligibility for retired pay to certain reservists who did not perform active duty before August 16, 1945, and for other purposes, which had been reported from the Committee on Armed Services with amendments, on page 1, in line 7, strike out "Armed Force" and insert "armed force".

On page 2, in line 9, strike out "the date designated by proclamation of the President or concurrent resolution of the Congress" and insert "March 28, 1973", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 67 of title 10, United States Code, is amended as follows:

(1) Section 1331(c) is amended to read as follows:

"(c) No person who before August 16, 1945, was a Reserve of an armed force, or a member of the Army without component or other category covered by section 1332(a)(1) of this title except a regular component, is eligible for retired pay under this chapter unless he performed—

"(1) active duty after April 5, 1917, and before November 12, 1918, or after September 8, 1940, and before January 1, 1947;

"(2) active duty (other than for training) after June 26, 1950, and before July 28, 1953, after August 13, 1961, and before May 31, 1963, or after August 4, 1964, and before March 28, 1973; or

"(3) at least twenty years of service (computed under section 1332 of this title) after August 15, 1945."

(2) Section 1332(b) is amended by adding the following new clause after clause (7): "(8) Service before August 16, 1945, if eligibility for retired pay is based on section 1331(c)(3) of this title."

(3) Section 1333 is amended—

(A) by striking out "For" and inserting in place thereof "(a) Except as provided in subsection (b), for"; and

(B) by adding the following new subsection:

"(b) Service before August 16, 1945, may

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not be counted under subsection (a), if eligibility for retired pay is based on section 1331(c)(3) of this title."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETIREMENT CREDIT FOR NONREGULAR SERVICE

The bill (H.R. 5056) to provide for crediting service as an aviation midshipman for purposes of retirement for nonregular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code, was considered, ordered to a third reading, read the time, and passed.

SALARY INCREASES FOR DISTRICT OF COLUMBIA POLICE, FIREMEN, AND TEACHERS

The Senate proceeded to consider the bill (H.R. 16925) to make technical amendments to the act of September 3, 1974, relating to salary increases for District of Columbia police, firemen, and teachers, and to the District of Columbia Real Property Tax Revision Act of 1974, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, on page 7, beginning with line 15, strike out:

(g) Section 426(1) of that Act is amended by striking out "(D.C. Code, secs. 47-2404, 47-24143)" and inserting in lieu thereof "(D.C. Code, secs. 47-2403, 47-2413)".

and insert:

(g) Section 426(1) of that Act is amended by deleting "sections 3 and 14 of title IX of the Act of August 17, 1937 (D.C. Code, sec. 47-2404, 47-24143)" and inserting in lieu thereof "sections 3 and 4 of title IX of the Act of August 17, 1937 (D.C. Code, secs. 47-2403, 47-2404)".

On page 9, in line 22, strike out "47 2061.14(a) (8)" and insert "47-2610.14(a) (8)".

On page 10, in line 2, strike out "(D.C. Code, sec. 47 301)" and insert "(D.C. Code, secs. 47-301, 47-601)".

On page 10, at the end of line 8, insert "of title IX".

On page 10, in line 9, strike out "(D.C. Code, sec. 47 709)" and insert "(D.C. Code secs. 47-708, 47-709)".

On page 11, beginning with line 1, insert:

Sec. 12. The second sentence of section 301(a) of the District of Columbia Campaign Finance Reform and Conflict of Interest Act is amended to read as follows: "The Commissioner of the District of Columbia shall appoint, by and with the advice and consent of the Senate, the Director, except that on and after January 2, 1975, appointments to the Office of Director, including vacancies therein, shall be made by the Mayor, with the advice and consent of the Council. The Director shall serve for a term of four years, subject to removal for cause by the Commissioner or the Mayor, as the case may be, and may be reappointed for a like term or terms, with the advice and consent of the Council, except that in the case of the Director serving as such on January 1, 1975, such Director's term shall terminate upon the

expiration of June 1, 1979, unless sooner so removed for cause. Any appointment to fill a vacancy in the Office of Director shall be for the unexpired portion of the term."

Sec. 13. (a) Section 5(e) of the District of Columbia Election Act (D.C. Code, sec. 1-1105) is amended by adding at the end thereof the following new sentences: "The Board, at the request of the Director of Campaign Finance, shall provide such employees, subject to the compensation provisions of this subsection, as requested to carry out the powers and duties of the Director. Employees so assigned to the Director shall, while so assigned, be under the direction and control of the Director."

(b) Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

"(g) The Board shall prescribe such regulations as may be necessary to insure that all persons responsible for the proper administration of this Act maintain a position of strict impartiality and refrain from any activity which would imply support of or opposition to (1) a candidate or group of candidates for office in the District of Columbia, or (2) any political party or political committee. As used in this subsection, the terms 'office', 'political party', and 'political committee' shall have the same meaning as that prescribed in section 102 of the District of Columbia Campaign Finance Reform and Conflict of Interest Act."

Sec. 14. (a) Section 306(b)(2) of the Act of August 14, 1974, is amended by deleting "chapter 5 of title 5, United States Code" and inserting "the District of Columbia Administrative Procedure Act (D.C. Code, sec. 1-1501 et seq.)".

(b) Section 601(c) of the Act of August 14, 1974, is amended by inserting immediately before the period at the end thereof a comma and the following: "except for political contributions publicly reported pursuant to section 206 of this Act and transactions made in the ordinary course of business of the person offering or giving the thing of value".

Sec. 15. (a) Section 431(a) of the District of Columbia Real Property Tax Revision Act of 1974 is amended by deleting "historic property" and inserting in lieu thereof "historic buildings".

(b) Section 431(b) of such Act is amended by deleting "historic property" and inserting "historic buildings".

(c) Section 432 of such Act is amended by deleting "property" wherever it appears therein and inserting in lieu thereof "buildings".

(d) Section 433 of such Act is amended to read as follows:

"Sec. 433. To be eligible for historic property tax relief, real property must be a historic building designated by the Joint Committee on Landmarks of the National Capital and, in addition, must be approved by the Commissioner under section 434."

(e) Section 434 of such Act is amended to read as follows:

"Sec. 434. The Council may provide that the owners of historic buildings which have been so designated by the Joint Committee on Landmarks of the National Capital may enter into agreements with the government of the District of Columbia for periods of at least twenty years which will assure the continued maintenance of historic buildings in return for property tax relief. Such a provision shall, as a condition for tax relief. Such a provision shall, as a condition for tax relief, require reasonable assurance that such buildings will be used and properly maintained and such other conditions as the Council finds to be necessary to encourage the preservation of historic buildings. The Council shall also provide for the recovery of back taxes, with interest, which would

have been due and payable in the absence of the exemption, if the conditions for such exemption are not fulfilled."

Sec. 16. Section 4(a) of the Act entitled "An Act to amend the Controlled Substances Act to extend for three fiscal years the authorization of appropriations for the administration and enforcement of that Act", approved October 26, 1974 (Public Law 93-481), is amended by striking out "chapter 6" and inserting in lieu thereof "chapter 5".

Sec. 17. Section 493(b) of the Act of Delors:

"(b) Paragraph 97(a) of section 8 of the Act of March 4, 1913 (making appropriations for the government of the District of Columbia) (D.C. Code, sec. 43-201), is amended as follows:

"(1) The first sentence of such paragraph is amended to read as follows: 'The Public Service Commission of the District of Columbia shall be composed of three commissioners appointed by the Mayor, by and with the advice and consent of the Council, except that the members (other than the Commissioner of the District of Columbia) serving as commissioners of such Commission on January 1, 1975, by virtue of their appointment by the President, by and with the advice and consent of the Senate, shall continue to serve until the expiration of the terms for which they were so appointed. The member first appointed by the Mayor, by and with the advice and consent of the Council, on or after January 2, 1975, shall serve until June 30, 1978.'"

"(2) The third sentence of such paragraph is repealed.

"(3) The sixth sentence of such paragraph is amended to read as follows: 'No Commissioner shall, during his term of office, hold any other public office.'"

"(4) The seventh sentence of such paragraph is amended by deleting 'The Commissioners of the District of Columbia' and inserting in lieu thereof 'The Mayor'."

"(5) The eighth sentence of such paragraph is amended to read as follows: 'No person shall be eligible to the office of Commissioner of the Public Service Commission of the District of Columbia who has not been a bona fide resident of the District of Columbia for a period of at least three years next preceding his appointment or who has voted or claimed residence elsewhere during such period.'"

Sec. 18. (a) Section 103(a) of the Act of September 3, 1974 (77 Stat. 1036), relating to police and firemen's compensation, is amended by deleting "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)".

(b) Section 103(a) of such Act is further amended by adding at the end thereof the following:

"(d) The amendment made by paragraph (4) of section 101 shall take effect on and after the first day of the first pay period beginning on or after June 1, 1974."

Sec. 19. Section 122 of the Act of September 3, 1974 (relating to police and firemen's compensation), is amended by adding at the end thereof the following new subsection:

"(d) In addition to the members and alternates of the Board designated by subsection (a) of this section, in all cases of retirement, disability, or other relief involving a member of the Executive Protective Service or a member of the United States Secret Service, who contribute to the Policemen and Firemen's Relief Fund of the District of Columbia, a member and alternate of the Executive Protective Service or a member and alternate of the United States Secret Service, as designated by the Director, United States Secret Service, as appropriate shall sit as a member of the Police and Firemen's Retirement and Relief Board."

The amendments were agreed to.
The amendments were ordered to be

engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

PEOPLE'S COUNSEL FOR PUBLIC SERVICE COMMISSION IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H.R. 17450) to provide a People's Counsel for the Public Service Commission in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment to strike all after the enacting clause and insert:

That (a) there is hereby established within the Public Service Commission of the District of Columbia, established by section 8 of the Act of March 4, 1913, as amended (D.C. Code, sec. 43-201), an office to be known as the "Office of the People's Counsel".

(b) There shall be at the head of such office the People's Counsel who shall be appointed by the Commissioner of the District of Columbia, by and with the advice and consent of the District of Columbia Council, and who shall serve for a term of three years. Appointments to the position of People's Counsel shall be made without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service. The People's Counsel shall be entitled to receive compensation at the maximum rate as may be established from time to time for GS-16 of the General Schedule under section 5332 of title 5 of the United States Code. No person shall be appointed to the position of People's Counsel unless that person is admitted to practice before the District of Columbia Court of Appeals. Before entering upon the duties of such office, the People's Counsel shall take and subscribe the same oaths as that required by the Commissioners of the Commission, including an oath or affirmation before the Clerk of the Superior Court of the District of Columbia that he is not pecuniarily interested, voluntarily or involuntarily, directly or indirectly, in any public utility in the District of Columbia.

(c) The People's Counsel is authorized to employ and fix the compensation of such employees, including attorneys, as are necessary to perform the functions vested in him by this Act, and prescribe their authority and duties.

(d) The People's Counsel—

(1) shall represent and appear for the people of the District of Columbia at hearings of the Commission and in judicial proceedings involving the interests of users of the products of or services furnished by public utilities under the jurisdiction of the Commission;

(2) may represent and appear for petitioners appearing before the Commission for the purpose of complaining in matters of rates or services;

(3) may investigate the services given by, the rates charged by, and the valuation of the properties of, the public utilities under the jurisdiction of the Commission; and

(4) is authorized to develop means to otherwise assure that the interest of users of the products of or services furnished by public utilities under the jurisdiction of the Commission are adequately represented in the course of proceedings before the Commission, including public information dissemination, consultative services, and technical assistance.

Sec. 2. Paragraph 42 of section 8 of the Act of March 4, 1913 (making appropriations for the government of the District of Columbia) (D.C. Code, sec. 43-412), is amended as follows:

(a) The first sentence of such paragraph 42 is amended to read as follows: "The expenses of the Office of the People's Counsel, of any investigation, valuation, revaluation, or proceeding of any nature by the Public Service Commission of or concerning any public utility operating in the District of Columbia, and all expenses of any litigation, including appeals, arising from any such investigation, valuation, revaluation, or proceeding, or from any order or action of the Commission, shall be borne by the public utility investigated, valued, revalued, or otherwise affected as a special franchise tax in addition to all other taxes imposed by law, and such expenses with interest at 6 per centum per annum may be charged to operating expenses and amortized over such period as the Commission shall deem proper and be allowed for in the rates to be charged by such utility."

(b) The second sentence of such paragraph 42 is amended by inserting ";" or certified by the People's Counsel with respect to his expenses" immediately before the period at the end of that sentence.

(c) The third sentence of such paragraph 42 is amended by inserting "and the People's Counsel, combined" immediately after "Commission".

Sec. 3. For the fiscal year ending June 30, 1975, there is authorized to be appropriated such sum, not to exceed \$50,000, as may be necessary to carry out the purposes of this Act. For the fiscal year ending June 30, 1976, and each fiscal year thereafter, there are authorized to be appropriated such sums, not to exceed \$100,000 in any one fiscal year, as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1263.

NAVAL AND MARINE MUSEUM IN CHARLESTON, S.C.

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 121) relating to the establishment of the naval and marine museum in Charleston, S.C., which had been reported from the Committee on Armed Services with an amendment to the preamble in the last "whereas" clause, strike out "Nation's" and insert "Nation's".

The resolution was agreed to.

The preamble, as amended, was agreed to.

The resolution with its preamble reads as follows:

Whereas the State of South Carolina has an old and historic naval and maritime heritage; and

Whereas the State of South Carolina has created the Patriots Point Development Authority for the purpose of establishing a naval and maritime museum in the city of Charleston, South Carolina, and

Whereas the Patriots Point Development Authority has been advised by the Department of the Navy that the Navy will donate the aircraft carrier United States ship Yorktown to the authority for use in the naval and maritime museum; and

Whereas the establishment of this special museum is a timely project in view of the increasing importance of the seas to the economy and security of the United States; and

Whereas the museum will stimulate and further the knowledge of naval and maritime history, customs, and traditions, and increase the appreciation of the importance of naval air and sea power to the security and economy of the United States; and

Whereas this museum will serve to generate or increase the patriotism in the youth of this Nation, and stimulate in some of them the desire for a career in public service, and particularly the naval and maritime service; and

Whereas the naval and maritime museum can make a significant contribution toward the efforts to achieve an all-volunteer military service, through the promotion of pride and interest in the naval and maritime heritage of this country; and

Whereas this museum, in addition to preserving our naval and maritime heritage, will make a major contribution to the Nation's bicentennial anniversary in 1976: Now, therefore, be it

Resolved, by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval and encouragement with respect to the establishment by the State of South Carolina, of the naval and maritime museum in the city of Charleston, South Carolina, and recognizes the historical importance of such museum and the patriotic purpose it is intended to serve.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the resolution was adopted.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON TUESDAY, DECEMBER 17, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, the orders for the recognition of Senators be as follows after the two leaders or their designees have been recognized under the standing order: Mr. HOLLINGS, 10 minutes; Mr. BARTLETT, 10 minutes; Mr. DOMENICI, 10 minutes; Mr. NUNN, 10 minutes; Mr. CHILES, 10 minutes; Mr. COOK, 10 minutes; and Mr. DOMINICK, 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—S. 425

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the surface mining conference report, with the understanding that it will be called up on Monday, there be a time limitation of 30 minutes to be equally divided between the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 452—TO PERMIT RADIO, TELEVISION, AND PHOTOGRAPHIC COVERAGE OF THE SWEARING-IN CEREMONY OF THE VICE PRESIDENT OF THE UNITED STATES

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. SCOTT of Pennsylvania and myself I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Resolved, That if the swearing-in ceremony of the Vice President of the United States is held in the Senate Chamber, permission is hereby granted to permit broadcast by radio and television of such ceremony, and that Rule IV of the Rules and Regulations of the Senate wing of the United States Capitol be accordingly suspended in this instance for the purpose of photography.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution was agreed to.

NO ROLL CALL VOTES ON MONDAY, DECEMBER 16, 1974, PRIOR TO THE HOUR OF 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no roll call votes occur on Monday prior to the hour of 1:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ONE-HALF HOUR DEBATE ON CLOTURE MOTION ON H.R. 15977, AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour under rule XXII on motions to invoke cloture in the instance of the motion relating to the Eximbank amendment conference report be reduced to one-half hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TIME FOR DEBATE TO START RUNNING AT 1 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the one-half hour for debate under rule XXII on the motion to invoke cloture on the Eximbank amendment conference report begin running on Monday at the hour of 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that one-half hour be divided between Mr. PROXMIER and Mr. STEVENSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLL CALL VOTES PRIOR TO VOTE ON CLOTURE MOTION—H.R. 15977, AMENDMENT OF THE EXPORT-IMPORT BANK ACT—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any roll call votes ordered prior to the vote on the motion to invoke cloture on Monday follow back to back in sequence as they are ordered immediately after the vote on the motion to invoke cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President,

I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TIME ON S. 425 TO START RUNNING ON MONDAY AT 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on the surface mining conference report begin running on Monday next at the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. CLARK). Without objection, it is so ordered.

TIME LIMITATION AGREEMENT ON S. 1283—ENERGY RESEARCH CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the energy research conference report there be a 30-minute time limitation to be equally divided between Mr. JACKSON and Mr. FANNIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time begin running on the energy research conference report at the hour of 12 o'clock noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to vacate the request clocking in the energy research conference report at 12 noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That measure will not have reached the Senate from the other body at that time, but I ask unanimous consent it be in order at any time during the afternoon of Monday to call up the energy research conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT ON H.R. 8193—CARGO PREFERENCE CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the car-

go preference conference report there be a 1-hour limitation to be equally divided between Mr. COTTON and Mr. MAGNUSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on the cargo preference conference report begin running at the hour of 3:30 p.m. on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business of not to exceed 30 minutes with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF WALTER LIPPMANN

Mr. MATHIAS. Mr. President, I have learned today of the death of Mr. Walter Lippmann, the distinguished journalist and newspaperman whose work dominated the scene of American journalism for half a century.

It would be impossible, in a short space of time, to compress all of the facets of Mr. Lippmann's career as a newspaperman into one short definition or description, but I think we do get certain impressions from the work of a man such as Mr. Lippmann.

My impression is that of an American, deeply dedicated to the concept of democracy, deeply committed to making democracy work, and believing very sincerely in the ability of the American people to govern their own destinies.

I recall so well a column that he wrote during World War II in which he praised Prime Minister Churchill because Churchill had the kind of faith in the people and belief in democracy that he undertook to entrust the people with bad news.

This, to Walter Lippmann, was the kind of hallmark of a man who really understood representative democratic government.

Mr. Lippmann himself as a newspaperman was constantly aware of his responsibility to give the American public the news, good or bad.

It was a high order of journalism. It is not often equaled. But I hope it will continue to be one of the aspirations of the American press, which is such an integral part of our whole political-social system, to reach the same levels of

competence and professionalism that was exemplified by the work of Walter Lippmann.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. HOLLINGS) laid before the Senate a message from the President of the United States submitting the nomination of William B. Saxbe, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 227. A joint resolution designating Monday, February 10, 1975, as a day of salute to America's hospitalized veterans (Rept. No. 93-1351).

H.R. 8864. An act to amend the act to incorporate Little League Baseball to provide that the league shall be open to girls as well as to boys (Rept. No. 93-1352).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

S.J. Res. 41. A joint resolution to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month" (Rept. No. 93-1353).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 3530. A bill to authorize the Secretary of the Interior to enroll certain Alaskan Natives for benefits under the Alaska Native Claims Settlement Act (Rept. No. 93-1354).

By Mr. LONG, from the Committee on Finance, with amendments:

H.R. 11796. A bill to provide for the duty-free entry of a 3.60 meter telescope and associated articles for the use of the Canada-France-Hawaii Telescope Project at Mauna Kea, Hawaii (Rept. No. 93-1355).

By Mr. LONG, from the Committee on Finance, with an amendment:

H.R. 17045. A bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States (Rept. No. 93-1356).

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. HOLLINGS) today signed the following enrolled bills which had been previously signed by the Speaker of the House of Representatives:

H.R. 1355. An act to donate certain surplus railway equipment to the Hawaii chapter of the National Railway Historical Society, Inc.;

H.R. 7072. An act to allow advance payment of subscription charges for publication for official use prepared for auditory as well as visual usage;

H.R. 7077. An act to provide for the establishment of the Cuyahoga Valley National Recreation Area; and

H.R. 16424. An act to establish a Commission on Federal Paperwork.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOMENICI:

S. 4240. A bill to achieve fuel economy for motor vehicles, to establish standards and requirements of motor vehicle fuel economy, to assure compliance with such standards, and for other purposes. Referred to the Committee on Commerce.

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 4241. A bill to amend the act of March 30, 1904 (33 Stat. 154) granting certain lands to the city of Port Angeles, Wash. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI:

S. 4240. A bill to achieve fuel economy for motor vehicles, to establish standards and requirements of motor vehicle fuel economy, to assure compliance with such standards, and for other purposes. Referred to the Committee on Commerce.

Mr. DOMENICI. Mr. President, as the 93d Congress draws to an end, one of the most significant and far-reaching problems facing this Nation is a continuing energy shortage. This Nation must address itself to the first full scale impact and implications of our less-than-adequate energy ethic. The harder we have looked at the alternatives the more we are forced to fall back on the choice of energy conservation. If we are candid as to the prospects for expanding our energy supply, and if we are candid as to our hopes of reducing imports of oil, then we have no choice but to achieve major cuts in consumption through energy conservation. The bill I introduce today is designed to facilitate this objective for one of the major and most wasteful forms of energy usage—the automobile.

Tremendous progress could be achieved in automobile fuel economy with very modest sacrifice in cost of automobiles and little, if any, delay in air pollution emission standards. A recent joint study by the Environmental Protection Agency and the Department of Transportation evidences the improvements achievable before 1985.

In addition, many bills and several hearings have been held on automobile fuel economy. In short, the pros and cons of insuring substantial fuel economy have been well aired in the Congress. I am convinced of the need for prompt legislation to ensure that the responsible agencies and automobile manufacturers move as expeditiously as possible to create a firm program for achieving substantial increases in automobile fuel economy.

The bill I have introduced is designed to assure flexibility for the automobile manufacturer while assuring that firm commitments to increased fuel economy, subject to regulatory oversight, become reality.

A voluntary method of achieving greater fuel economy is the heart of this bill. I realize that there are other bills

under consideration dealing with the same vital problem of energy conservation and auto fuel economy. The bill I present today has Federal regulatory provisions, but is unique by providing emphasis on voluntary compliance while still insuring the same beneficial result of providing substantial fuel economy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Motor Vehicle Fuel Economy Act".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds and declares that—

(1) each day the United States uses approximately six million barrels of oil more than it produces from domestic sources and in the absence of effective conservation measures oil imports will need to grow in volume;

(2) the need to import increasing volumes of oil from foreign nations makes the Nation prey to arbitrary and exorbitant price fixing by petroleum exporting countries and vulnerable to unreasonable foreign policy pressures and economic chaos from production reductions and embargoes by such countries;

(3) oil-exporting nations acting in concert have raised the price of oil approximately 300 per centum during the past year, causing the United States to suffer enormous deficits in its international balance of payments and contributing to the highest rate of inflation in the decades as the increased cost of fuel is passed on to commerce, industry, and the American consumer;

(4) for these reasons, it is an urgent necessity for the United States to reduce the quantities of crude oil and refined petroleum products which it imports; and

(5) automobiles are the single largest and most significant user of petroleum products, but the amount of oil required for automobile transportation should be able to be reduced by more than one million barrels a day through technologically feasible improvements in automobile fuel economy.

(b) It is therefore declared to be the purpose of Congress in this Act to—

(1) encourage the manufacture of automobiles which reduce the amount of fuel consumed per mile traveled without reducing safety, damageability, or environmental standards; and

(2) increase the industrywide average fuel economy for automobiles to achieve at least a 40 per centum improvement in such average by 1980 over the model year 1974 figure and a 65 per centum improvement in such average by 1985 over the model year 1974.

DEFINITIONS

Sec. 3. (a) When used in this Act—

(1) "Fuel" means any material or substance capable of serving as a source of energy for a motor vehicle, including, but not limited to, gasoline, diesel oil, kerosene, natural gas, and propane.

(2) "Fuel economy" means the average number of miles traveled by a motor vehicle per unit of fuel consumed, as determined in accordance with test procedures established by the Administrator.

(3) "Industrywide average fuel economy" means the weighted average fuel economy of all new motor vehicles sold or expected to be sold in all States in a given model year.

(4) "Weighted average fuel economy" means the average fuel economy of a class or classes of new motor vehicles or new motor vehicle engines produced for introduction into commerce or (in the case of any person, except as provided in regulation of the Administrator) imported into the United States by a manufacturer during a specific time period, as determined by considering the total quantity of fuel which would be consumed per unit of distance traveled, assuming an equal distance travelled by each vehicle, by all vehicles in such class.

(5) "Model" means a motor vehicle of particular brand name, body dimensions, style, engine, and drive train.

(6) "Administrator" means the Administrator of the Environmental Protection Agency.

(7) "Secretary" means the Secretary of the Department of Transportation.

(b) Any other terms used in this Act which are defined in the Clean Air Act (42 U.S.C. 1857 et seq.) shall have the same meaning as in such Act.

FUEL ECONOMY STANDARDS

Sec. 4. (a) The Secretary shall by regulation promulgated pursuant to section 553 of title 5, United States Code, prescribe (and from time to time revise) in accordance with the provisions of this section such minimum average fuel economy standards for any class or classes of new motor vehicles or new motor vehicle engines as in his judgment are necessary to assure the efficient utilization of fuels by such motor vehicles or engines.

(b) Regulations established by the Secretary under this section shall be designed to achieve to the maximum extent practicable and feasible, weighted average fuel economy standards for new light duty motor vehicles manufactured during model year 1980, which are an increase of at least 40 per centum of industrywide average fuel economy, and for new light duty motor vehicles manufactured during model year 1985, which are an increase of at least 65 per centum of industrywide average fuel economy, over the industrywide average fuel economy for new light duty motor vehicles manufactured in the 1974 model year.

(c) Any regulation prescribed under this section (and any revision thereof) shall take into consideration the available technology, the period necessary to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance, the economic impact of compliance, the natural resource impact of compliance, and the impact on regulations applicable to the emission of air pollutants from any class or classes of new motor vehicles or new motor vehicle engines established under title II of the Clean Air Act and any applicable safety standards, within such period. In establishing such standards the Secretary shall consult with the Administrator, the Administrator of the Federal Energy Administration, the Secretary of the Treasury, and the Administrator of the Energy Research and Development Administration.

(d) Regulations under this section shall be applicable to new light duty motor vehicles manufactured during model year 1977 and thereafter, and with respect to model year 1977 shall be promulgated not later than 270 days after the date of enactment of this Act.

COMPLIANCE

Sec. 5. (a) If a manufacturer voluntarily achieves the average weighted fuel economy goal established under section 4, the provisions of this section and section 10 are inapplicable to such manufacturer. Achievement of the average weighted fuel economy of any class of new motor vehicles sold by a

manufacturer during any model year shall be determined by the Secretary.

(b) Compliance with the standards established under section 4 shall be determined by the Secretary with respect to each class of new motor vehicles or new motor vehicle engines on the basis of the demonstrated fuel economy, as determined by the Administrator, for each model within such class and the total number of each of such models sold by a manufacturer during a model year.

(c) If the Secretary determines that the average weighted fuel economy of any class of new motor vehicles sold by a manufacturer during any model year fails to meet the standards established under section 4 with respect to such class, such manufacturer shall be in violation of such standard.

TESTS

SEC. 6. In order to determine whether new motor vehicles or new motor vehicle engines being manufactured by a manufacturer conform with regulations pursuant to this Act, the Secretary is authorized to test or require testing by such manufacturers of such vehicles or engines. Such tests may be conducted by the Secretary directly, or the manufacturer may be required to perform such tests in accordance with terms and conditions specified by the Secretary.

INFORMATION AND DATA

SEC. 7. (a) The Secretary and the Administrator may require manufacturers of new motor vehicles and new motor vehicle engines to submit in such form, in such manner, and at such time as he may require, information and data as to sales and fuel economy of new motor vehicles and new motor vehicle engines manufactured or proposed to be manufactured, and such other information and data that he may require to ascertain compliance with the requirements of this Act.

(b) Information and data under this section may be required with respect to models and subclasses of motor vehicles as prescribed by regulation.

WARRANTY

SEC. 8. On and after the effective date of any regulation prescribed under this section, the manufacturer of a new motor vehicle or new motor vehicle engine to which such regulations apply, shall warrant to the ultimate purchaser and each subsequent purchaser that such new motor vehicle or motor vehicle engine is designed, built, and equipped so as to conform to the regulations for its useful life as determined by the Secretary. The warranty shall remain in effect provided that the vehicle or engine is maintained and operated in accordance with instructions provided by the manufacturer.

LABELING

SEC. 9. The manufacturer shall cause to be affixed on each new motor vehicle subject to regulation under this Act a label in a prominent place indicating in an easily legible and readable form the fuel economy applicable to that motor vehicle as determined through testing required by or performed under this Act or under title II of the Clean Air Act, and such other information relating to that motor vehicle's fuel economy as the Secretary may require.

SUSPENSION

SEC. 10. (a) Whenever the Secretary determines in accordance with regulations that a subclass or model of new motor vehicles, manufactured, or proposed to be manufactured, fails or will fail to achieve the fuel economy reported by the manufacturer for purposes of determining the weighted average fuel economy for all new motor vehicles anticipated to be sold by the manufacturer during the model year; or if the Secretary determines that the sales for any subclass or model are or will be substantially different than those reported by the manufacturer for the purposes of determining the

weighted average fuel economy for all new motor vehicles anticipated to be sold by the manufacturer during the model year, he shall inform the manufacturer of such determination and shall recommend to the manufacturer that corrective action as he determines may be necessary to achieve the standards established under section 4. Such corrective action may include requirements to curtail or suspend sales of models the fuel economy of which falls below the weighted average fuel economy standard under section 4.

(b) If the manufacturer fails to take corrective action necessary to achieve compliance with section 4 within the time required by the Secretary as determined in a proceeding in accordance with section 554 of title 5, United States Code, the Secretary may order the curtailment or suspension of sales of any models manufactured by such manufacturer until such time as the manufacturer demonstrates to the satisfaction of the Secretary that it will meet the standards under section 4.

(c) If the manufacturer fails to comply with an order issued by the Secretary within the time required by such order, the Secretary may commence a civil action for appropriate relief, including permanent or temporary injunction. Any such action brought under this section may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business. Such court shall have jurisdiction to restrain violation of the Secretary's order and to compel compliance.

CONFORMING AMENDMENTS

SEC. 11. The Clean Air Act is amended as follows:

(a) section 203(a)(2) is amended by adding after the phrase "section 208" the following: "or under section 7 of the Motor Vehicle Fuel Economy Act of 1974";

(b) section 203(a)(4)(A) is amended by adding after the phrase "section 207(c)(3)" the following phrase "and section 9 of the Motor Vehicle Fuel Economy Act of 1974"; and

(c) section 206(c) is amended by adding after the phrase "enforcement of this section" the phrase "and of any regulation under the Motor Vehicle Fuel Economy Act of 1974."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 4206

At the request of Mr. HUMPHREY, the Senator from Wisconsin (Mr. NELSON) and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 4206, to provide the price support for milk at not less than 90 percent of the parity price therefor, and for other purposes.

SENATE RESOLUTION 450—SUBMISSION OF A RESOLUTION DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY

(Ordered held at the desk.)

Mr. BENNETT. Mr. President, deferral D-75-115 pertains to the Atomic Energy Commission's biomedical and environmental research program. Specifically the proposal would defer budget authority of \$4 million currently authorized and appropriated for the Commission's artificial heart program. It should be noted that the backup information furnished to the President's deferral message states that the proposed deferral would result in "a close out of AEC's

effort to develop a nuclear power source for an artificial heart." I do not wish to engage in argument concerning the use of words but in this particular proposed deferral, a more descriptive word would have been "termination."

The termination of this program in my view would be a serious mistake. This is an ongoing program that has been successfully carried out thus far, meeting its established milestones and objectives in a timely fashion. The biological portion of this program is being carried out at the University of Utah by one of the most distinguished medical investigators in our country, Dr. William Kolff. Dr. Kolff, among many other fine accomplishments, is the inventor of the artificial kidney.

The artificial heart under development would be implantable in the human body totally replacing the heart organ. With modification, it could be also used as a heart assist device; for example, in the case of a damaged ventricle. One of the reasons that this particular artificial heart program has been so successful is that the Atomic Energy Commission and its contractors, Westinghouse Astronuclear Laboratory and the University of Utah, have utilized a totally integrated engineering systems approach. Early bench models have been tested and run successfully. Modifications of these models have been implanted in experimental animals and sustained life with no untoward biological effect. The researchers and the experimental teams are currently modifying their initial product to bring about reduction in weight and volume and to increase the efficiency of the pumping mechanism.

I urge the Senate to act favorably on the subject resolution, not only because this is an important research program which has been well executed, but also because it is nearing the most exciting stage of the development. To be sure, there are other ongoing efforts to produce a workable artificial heart under the stewardship of other Federal agencies. It should be pointed out, however, that when the Joint Committee on Atomic Energy, of which I am a member, reviewed the AEC's authorization request for this money as recently as the spring of this year, Commission witnesses testified that they closely coordinate their work with the National Heart and Lung Institute and constantly seek their opinion on the conduct of the program to assure that there is no unnecessary duplication among the various programs. Of course, the utilization of a heart pump is primarily a question of physiological compatibility but it should be recognized that the development of the heat source, the mechanical pump, and the operation of the mechanical portion of the substitute heart requires a special engineering approach.

This particular heart device is operated by the heat derived from a small capsule utilizing plutonium of the same kind used in nuclear cardiac pacemakers which are already in use throughout the country. The competence of the AEC and its contractors to successfully develop nuclear power systems such as the cardiac pacemaker, and the SNAP devices now operating on the Moon and

aboard Jupiter-Saturn Pioneer flybys has been well demonstrated. The present program schedule calls for completion of the development of a human implantable artificial heart by December of 1976. With this goal so close at hand, it would seem to me foolhardy to abandon this effort and disband this team of investigators who had done so well and should be encouraged, rather than prevented, from making this significant contribution to science and to mankind.

I urge adoption of the resolution.

The resolution is as follows:

S. RES. 450

Resolved, That the Senate expresses its disapproval of proposed deferral D 75-115, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

SENATE RESOLUTION 451—SUBMISSION OF A RESOLUTION DISAPPROVING DEFERRAL OF BUDGET AUTHORITY

(Ordered held at the desk.)

SENATE MUST DISAPPROVE 50 PERCENT IMPOUNDMENT OF SECTION 701 PLANNING FUND

Mr. HUMPHREY. Mr. President, today I have introduced for myself and Senators MATHIAS, MAGNUSON, McGEE, JAVITS, DOMENICI, TUNNEY, CRANSTON, STAFFORD, MONDALE, HATHAWAY, KENNEDY, and BIDEN, Senate Resolution disapproving the President's proposed deferral of \$50 million in HUD sec. 701 comprehensive planning grants. If allowed to stand, this deferral would mean a reduction of 50 percent from the level of funding appropriated by the Congress for this purpose.

Mr. President, to permit this deferral will result in the gutting of an important ongoing program that is relied upon by thousands of communities, urban and rural, all over this country. This would be a severe injustice and would have a devastating impact. The \$50 million budget savings to be gained by this proposed impoundment of appropriated funds is a perfect example of a "penny wise and pound foolish" decision.

The 701 comprehensive planning and management program has, since its enactment as part of the Housing Act of 1954, served as a continuing source of Federal assistance for comprehensive planning by States, counties, cities and regional organizations. It is the only Federal program which allows recipients to plan in a comprehensive manner.

Over the years, the Congress has enacted a number of functional planning programs for transportation, water pollution control, economic development, health, and the like. Something, however, is needed to tie all of these narrowly focused planning programs together to allow for planning in a coordinated, comprehensive manner—in a manner that will be most productive, getting the most bang for the taxpayers' buck. It is a budget saving program in the real sense.

The 701 is a national program for all sizes and types of communities from the largest cities, counties, and States to the

smallest Indian reservation. As with most Federal programs, however, it has suffered from a demand greater than the amount of money available.

In fiscal year 1972, Congress recognized that the program needed additional funds to meet this demand. Through a supplemental appropriation, it added \$50 million to the \$50 million already appropriated as part of the regular HUD appropriations bill, bringing the program level to \$100 million. The Congress again appropriated \$100 million for fiscal year 1973. For fiscal year 1974, the appropriation was cut by 25 percent because, in the view of the House Appropriations Committee, HUD was not spending the money fast enough. What this has meant, however, is that recipients have had to cut their programs by 25 percent across the board. The Congress recognized the adverse impact this cut was having and restored funding for section 701 to \$100 million for fiscal year 1975.

Amendments to the 701 statute enacted as part of the Housing and Community Development Act of 1974 mandate that all 701 recipients include as a part of their comprehensive plan, a land use and housing element. These are entirely new requirements. They will place an additional demand on recipients and, because they are federally mandated, Federal assistance should be provided to assist in their development. We should be increasing funding for 701, and not forcing it to fight for its very life.

The act also authorizes urban counties to apply directly to HUD for 701 assistance, rather than to the States as at present. This will create an additional demand on 701 for the current fiscal year.

And yet, with all the additional demands on 701, as well as the adverse effect which inflation has on static funding levels, the administration is intending to cut the program in half. Such a cut is grossly unfair to current, as well as potential applicants for 701 funds.

It is a matter of grave concern to me that this country's commitment to urban and rural planning, as a conscious process of government at every level, seems to be weakening, despite the fact that crises resulting from unplanned growth and development are deepening throughout the United States.

In terms of numbers of dollars expended by this country in community development and housing assistance, the comprehensive planning and management assistance program, 701, has been relatively small. Over the years, increasing demands have been made of this relatively static program, and it has not kept pace with either the growth of demand for planning funds or the intensification of urban and rural problems with which planning is concerned.

The number of eligible recipients of these small amounts of comprehensive planning and management funds has continuously increased over the years, far out-reaching funds available for even past clients. And this situation is exacerbated every time the administration recommends the usage of 701 as a re-

placement for additionally legislated new planning assistance programs—for example, rural development planning, coastal zone planning, disaster assistance, et cetera.

Society has begun to demand a voice in the decisions affecting its environment. At the same time, society has demanded that proper consideration be given to the economic and social development of this Nation. Planning, therefore, is crucially necessary, if we are going to seriously address ourselves to the many varied programs being proposed for the orderly growth of our communities.

From a congressional point of view, the existence of planning requirements as a condition to Federal financial assistance makes eminent good sense. Planning requirements are a form of insurance designed to protect and make most useful the Federal participation in local projects, whether through categorical grants, block grants, or even revenue sharing. Planning requirements simply say "these things that we are helping to finance must fit together in a thought through manner and be of long range benefit." Planning assistance works toward the same ends.

The problem is not to reduce planning requirements or planning assistance, but rather to relate them directly and within the framework of the American political decisionmaking system. Therefore, one of the major reasons for expanding the comprehensive planning program rather than cutting it in half as the President proposes, is to assist State and local governments in protecting the investment the Federal Government makes in the wide variety of Federal programs.

The 701 comprehensive planning assistance program has had broad successful applications across this country, and I do not believe its track record of accomplishment warrants the proposed gutting. 701 has become a "glue" mechanism to coordinate all functional or more specialized planning and program development.

It has provided a coordinative management framework. It helps produce policy and decisionmaking documents and tools. It has served as a measure for community values. It has worked as a checkpoint of accomplishment, and served as an administrative tool for short term decision making and long range policy and goal formulation.

As I stated earlier, the 701 comprehensive planning assistance program has served all levels of government. It has supported the Federal review process, assisted States, counties, and cities of all sizes. It has fostered regional cooperation throughout the country both on a metropolitan and nonmetropolitan basis. It has funded economic development districts and Indian tribal planning councils.

The 25 percent cutback in 701 funds for fiscal year 1974 caused much concern among the various clients and in many cases the reduction in funds has seriously diminished projects, reduced staffs and hampered the evolution of vital decision-making related programs. The impact of this reduced funding created hardships

and severe restrictions for many local governments in their efforts to develop effective ongoing planning policy processes. There is an increasing emphasis being placed on comprehensive planning as a major solver, yet at the same time this increased emphasis seems to be directly in contradiction with the reduction in Federal funds for comprehensive planning.

Mr. President, the turmoil created by last year's cut, substantial as it was, still pale to insignificance in comparison with what will happen to planning efforts all over this country, if the administration has its way and impounds these 701 funds.

Mr. President, I find it rather amazing that while the White House is slashing the 701 program, HEW is, in yesterday's Federal Register, promulgating urgent regulations to keep the 701 program functioning. The HEW proposal says—

It is imperative that these amendments be operative as soon as possible to avoid severe hardships for grantees whose program years have expired or will expire shortly.

This is incredible. While the White House slashes at 701 with its sword, HEW urgently prepares new regulations for a program that the President would virtually kill off.

Mr. President, we must strongly register the objection of Congress to this

thoughtless attempt to cut the budget at all costs. The momentum toward more and better comprehensive planning of public activity, building over the 20 years since 701 was enacted in 1954, will be reversed, wiped out, unless we act now to restore this vital program to the level of funding which we approved and which the administration requested a few short months ago. I urge all of my colleagues to join me in passing this resolution.

Mr. President, I ask unanimous consent that the text of this resolution be printed at this point in the RECORD.

Mr. President, I also ask unanimous consent that a summary, entitled "Initial Impact of President Ford's Deferral of HUD 701 Planning Assistance", be printed at this point in the RECORD. I also ask unanimous consent that a table, entitled "Comprehensive Planning Assistance Program," which gives a State by State breakdown of the 701 program, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. RES. 451

Resolved, That the Senate disapproves the proposed deferral of budget authority to carry out the comprehensive planning grants program under section 701 of the Housing Act of 1954 (numbered D75-107), set forth in the special message transmitted by the President to the Congress on No-

vember 26, 1974, under section 1013 of the Impoundment Control Act of 1974.

INITIAL IMPACT OF PRESIDENT FORD'S DEFERRAL OF HUD 701 PLANNING ASSISTANCE

President Ford's deferral of \$50 million of \$100 million appropriated by Congress for FY 75 would have these immediate impacts.

On December 31, 1974—Grants for 53 agencies expire in the amount of \$9,166,000 including: 4 states, 25 areawide, and 24 large cities.

On January 31, 1975—Additional grants will expire for seven additional agencies in the amount of \$946,000 including: 1 state, 2 areawides, and 4 cities.

On February 28, 1975—Grants will expire on another five agencies in amount of \$349,000 including: 4 areawides, and 1 large city.

In summary, by February 28, 1975, HUD 701 grants will expire for 65 agencies in the amount of \$10,461,000. The proposed cut will range from at least 30 percent to as high as 60 percent for some of these agencies, or \$3,120,000 to \$6,240,000.

This initial and immediate impact underlies the urgency of congressional consideration of the proposed HUD 701 deferral during this session of Congress.

In making this point, it should also be noted that if Congress does not act on the President's deferral by June 30, 1975, over 878 agencies will be affected who received the full FY 74 appropriation of \$75 million. The overall impact on all agencies receiving 701 grants by June 30, 1975, will be cuts in their existing funding of at least \$25 million.

COMPREHENSIVE PLANNING ASSISTANCE PROGRAM, NET APPROVALS BY TYPE OF AREA ASSISTED, FISCAL YEAR 1974

Region and State	Statewide	LA/CDS	Nonmetro	Metro	Large city	Indians	Disaster	Federal impact	Historic pres.	Total
Region I:										
Connecticut	130,000	223,200	155,550	329,450	237,900					1,076,100
Maine	126,000	35,000	149,000	58,000	41,000	40,000				449,000
Massachusetts	559,100	385,400	70,000	525,000	632,000			50,000	25,000	2,246,500
New Hampshire	85,000	15,000	180,000	50,000	30,000					360,000
Rhode Island	162,600	225,000			38,000					425,600
Vermont	90,000		230,000							320,000
Total	1,152,700	883,600	784,550	962,450	978,900	40,000		50,000	25,000	4,877,200
Region II:										
New Jersey	423,500	543,500		38,000	726,000			30,000	25,000	1,786,000
New York	466,698	1,124,391	130,419	1,592,131	2,029,500	35,000				5,378,131
Puerto Rico	622,708	50,000			115,000			75,000		862,708
Virgin Islands	190,000									190,000
Total	1,702,906	1,717,891	130,419	1,630,131	2,870,500	35,000		105,000	25,000	8,216,847
Region III:										
Delaware	222,925	51,947		59,128	79,000					413,000
District of Columbia				753,000	355,000					1,108,000
Maryland	408,900	387,950	23,800	518,400	233,725					1,572,775
Pennsylvania	235,000	656,576	113,424	1,161,978	1,300,800					3,467,778
Virginia	46,919	60,000	258,981	625,725	556,367			20,000		1,567,992
West Virginia	545,400			163,900	70,700					580,000
Total	1,259,144	1,156,473	396,205	3,282,131	2,595,592			20,000		8,709,545
Region IV:										
Alabama	548,123	244,322	184,997	463,058	134,195			65,000		1,639,695
Florida	659,351	402,796	64,713	1,038,000	657,000	67,800		50,000		2,939,660
Georgia	488,143	520,335	304,522	608,412	252,500			50,000		2,223,912
Kentucky	300,000	323,000	265,000	342,000	254,500			83,129		1,567,629
Mississippi	176,459	277,553	258,573	240,000	19,500			23,600		1,070,685
North Carolina	496,000	637,000	297,500	541,500	285,000			23,600		2,280,600
South Carolina	385,500	252,500	158,000	219,500	150,500					1,166,000
Tennessee	414,000	394,000	209,000	322,000	229,500			40,000	17,000	1,625,500
Total	3,467,576	3,051,506	1,742,305	3,774,470	1,982,695	115,000	363,129	17,000		14,513,681
Region V:										
Illinois	606,000	500,603	199,326	1,160,000	921,130				25,000	3,412,059
Indiana	310,000	160,000	150,000	382,307	492,600			40,000		1,534,907
Michigan	485,000	300,000	216,000	881,770	686,590	10,000				2,579,360
Minnesota	230,000	160,000	177,674	372,000	262,000	40,000				1,241,674
Ohio	1,000,405	207,000	161,000	1,389,200	686,000			72,000		3,515,605
Wisconsin	265,737	130,500	140,453	480,453	344,185	60,000				1,421,777
Total	2,897,142	1,458,103	1,044,453	4,666,179	3,392,505	110,000	112,000		25,000	13,705,382
Region VI:										
Arkansas	377,200	236,000	173,200	265,182	126,000					1,177,582
Louisiana	456,587	303,700	145,000	354,709	367,604	20,000				1,647,600
New Mexico	346,800	183,500	211,800	159,300	76,400					977,800
Oklahoma	318,900	219,100	182,700	216,400	188,100	52,734				1,177,934
Texas	878,100	692,200	94,800	1,872,600	1,305,300					4,843,000
Total	2,377,587	1,634,500	807,500	2,868,191	2,063,404	72,734				9,823,916

Region and State	Statewide	LA/CDS	Nonmetro	Metro	Large city	Indians	Disaster	Federal impact	Historic pres.	Total
Region VII:										
Iowa.....	345,634	100,551	162,256	229,488	171,725					1,009,654
Kansas.....	242,500	125,000	156,600	130,750	110,000	10,800		90,000		865,550
Missouri.....	374,442	151,900	371,000	762,152	347,000					2,006,494
Nebraska.....	169,249	103,426	94,191	445,500	28,500	20,000				860,866
Total.....	1,131,825	480,877	783,947	1,567,890	657,225	30,800		90,000		4,742,564
Region VIII:										
Colorado.....	228,000	285,000	124,300	478,190	353,680					1,469,170
Montana.....	338,475	91,875	59,650	33,000	33,000	160,000				716,000
North Dakota.....	74,850	90,703	196,344	4,000	15,732	40,000				421,629
South Dakota.....	126,923	73,022	205,651	50,000	32,076	176,250				663,922
Utah.....	264,800	17,733	35,467	143,883	173,146					635,029
Wyoming.....	52,011	36,710	122,677							211,398
Total.....	1,085,059	595,043	744,089	709,073	607,634	376,250				4,117,148
Region IX:										
Arizona.....	288,000	135,000	45,000	120,000	170,000	195,000				953,000
California.....	970,000	309,000	175,000	2,113,000	2,163,000	150,000			25,000	5,405,000
Hawaii.....	270,000	80,000			75,000					425,000
Nevada.....	105,000	85,000	6,000	72,000	45,000	60,000				373,000
Samoa.....	60,000									60,000
New Mexico.....						123,824				123,824
Total.....	1,693,000	609,000	225,000	2,305,000	2,453,000	528,824			25,000	7,839,824
Region X:										
Alaska.....	144,000	55,250	56,750	76,000		80,000				412,000
Idaho.....	266,000	26,000	127,000	60,000	26,000	75,000		29,000		609,000
Oregon.....	318,400	255,600	130,000	332,000	196,000	40,000		21,620		1,293,620
Washington.....	280,514	259,000	20,000	276,000	316,000	132,500		66,000	59,000	1,409,014
Total.....	1,008,914	595,850	333,750	744,000	538,000	327,500		116,620	59,000	3,723,634
National total.....	17,775,853	12,182,843	6,993,218	22,509,515	18,139,455	1,636,108	591,749	341,000	100,000	80,269,741

ADDITIONAL STATEMENTS

FEDERAL POWER COMMISSION ACTIONS THREATEN 1975 U.S. FOOD SUPPLY

Mr. TALMADGE. Mr. President, on October 8, 1974, President Ford, in his economic address before the Congress, stated the following with respect to the urgency of maximizing food production in the United States in 1975:

To halt higher food prices we must produce more food. And I call upon every farmer to produce the full capacity, and I say to you and to the farmers, they've done a magnificent job in the past and we should be eternally grateful. . . . I also assure America's farmers here and now that I will allocate all the fuel and ask authority to allocate all the fertilizer they need to do this essential job.

Mr. President, while these statements and commitments were made by no less than the President of the United States himself, it is now apparent that fulfillment of those commitments made by the President will not be attained unless prompt legislative action is taken to reverse recent actions taken by the Federal Power Commission.

On December 10, 1974, the Federal Power Commission issued an order denying stay of an earlier order it issued denying emergency relief to the Cherokee, Ala., plant of United States Steel's agri-chemical division for natural gas, an essential feedstock in the production of nitrogen fertilizer, which in turn, is absolutely essential to the production of corn, wheat, rice, and other U.S. farm commodities. Without nitrogen fertilizer, production of corn, wheat, and rice during 1975, will be reduced substantially, possibly by as much as 30 percent. And given the fact that existing reserve supplies of corn and wheat at the end of this marketing year are expected to be the lowest they have been in over 20 years,

nobody, especially any governmental agency, should be permitted to jeopardize maximum production of these essential food commodities this next crop year.

The action taken on December 10, 1974, by the Federal Power Commission, in refusing to provide emergency supplies of natural gas to the Cherokee, Ala., fertilizer plant, has now reduced that particular nitrogen plant's production output to 35 percent of capacity, or by 10,000 tons a month. A monthly reduction of this amount is equivalent to a loss of almost 17 million bushels of corn production per month.

Farmers throughout both Southeastern and the Midwestern regions of our Nation will be adversely affected by this loss in nitrogen fertilizer production. This Cherokee, Ala., plant supplies nitrogen fertilizer to farmers throughout both regions. Unless action is taken promptly to restore this particular plant to full production, thousands of farmers in Georgia, Alabama, Iowa, Illinois, and the other States of these regions will be faced with even lower supplies of nitrogen fertilizer next spring than they already have been told to expect.

Mr. President, even more disturbing to me about FPC's recent denial of emergency relief to this Alabama fertilizer plant, are policy positions articulated by the Commission in its November 26 and December 10 orders regarding this particular case.

In its November 26 order, the Commission stated:

In support of its petition, North Alabama (gas district) relies on evidence that ammonia (nitrogen) fertilizer is a socially useful product and is in short supply. While that may well be true, such general, non-specific evidence is not a proper basis for grant of extraordinary relief to an individual petitioner, particularly where the petitioner has not shown that the curtailed customer (U.S. Steel) has endured or will suffer any

unique or unusually severe hardships as a result of curtailment and our refusal to make an extraordinary exception.

Mr. President, the concern that I and others share over the loss of nitrogen fertilizer production at this critical time in our Nation's history, has no relationship whatsoever to "any unique or unusually severe hardships" that might be created for United States Steel as a result of the Commission refusal to provide emergency gas relief to its Alabama fertilizer plant. I think it very safe to conclude that a complete showdown of this particular plant would have no material effect on the financial solvency of United States steel. That is not the issue here: the issue rather is the loss of nitrogen fertilizer supplies—whether supplied by United States steel or anybody else. The availability of nitrogen fertilizer to American farm producers next spring is absolutely essential if they are to produce the amounts of corn, wheat, rice and other food commodities needed by U.S. consumers and others during 1975-76.

And then in its December 10 order, the Federal Power Commission had to say about the importance of fertilizer products relative to other products where natural gas is employed in their production:

Essentially, North Alabama (gas district) asks that we single out Ag-Chem (U.S. steel's Cherokee nitrogen fertilizer plant) for extraordinary relief to the detriment of TETCO's (Texas Eastern Transmission Company) other customers, based on the social utility of Ag-Chem's end product rather than on Ag-Chem's end use of natural gas. If we grant this request, we then create the possibly insoluble problem of determining where to equitably draw the line when similar requests are made by other segments of the food industry or the producers of other socially useful products.

Mr. President, such a statement by the Commission not only represents a complete 180 degree reversal of the policy

pursued by the Commission this last year in granting emergency relief petitions filed by fertilizer producers, but suggests that no preference at all will likely now be given to similar petitions that may be filed by such fertilizer producers during these remaining 1974-75 winter months.

If the Commission continues to pursue such a policy, Mr. President, millions of Americans and people throughout the world that depend upon us for their food supplies, will learn only too quickly next year how "socially useful" fertilizer products are—but unfortunately too late to recover the lost food production that will result from reduced fertilizer supplies for 1975 crops.

Mr. President, should anyone think that the curtailment of natural gas for United States Steel's Alabama plant is an exception, I wish to make clear here today that it is not:

Felmont Oil Corp. operates an ammonia-nitrogen-fertilizer plant in Olean, N.Y. This particular plant supplies 61 percent of the nitrogen fertilizer material marketed by Agway, the largest farm supply cooperative now serving the Northeastern States of our Nation. Agway, in turn, supplies over 23 percent of all nitrogen fertilizer purchased by farmers in these Northeastern States.

This particular plant is now operating under threat of natural gas curtailment by its interstate supplier, Columbia Transmission Pipeline Co.

Another plant operated by the Farmer's Chemical Association in Tunis, N.C., has been operating under threat of natural gas curtailment since November 1, 1974. This particular plant supplies over 30 percent of all nitrogenous fertilizer material for four Southern States, including Georgia, and several other States outside the South. And while I learned today that it now appears a settlement has been reached to avoid a natural gas curtailment of this particular plant for the time being, the general threat of curtailment will remain for this plant throughout the winter months based upon the severity of winter temperatures and higher than expected consumption of gas for home heating use. In addition, I have been informed, that FCA now plans to stop construction of a new 1,200-ton-a-day nitrogen plant, due to its inability to secure additional supplies of natural gas needed for its operation.

Mr. President, it is obvious to me that Congress can no longer permit Mr. Nasikas, Chairman of the Federal Power Commission and his fellow Commissioners, to play "natural gas decontrol politics" with our Nation's future food supply. And that is exactly what the Commission is now doing, in my judgment.

While I continue to try to keep an open mind on the question of decontrolling natural gas prices, it is a national policy issue which I believe Congress should be permitted the opportunity to consider separately. The high pressure tactics now being pursued by the Federal Power Commission, and by the administration in concert with the petroleum industry, is not going to bring about a

satisfactory resolution of this matter during this Congress, in my judgment.

Rather, I urge the President, his Federal Energy Administration advisers, and the Federal Power Commission to join with me in providing emergency relief to those producers of essential products such as fertilizer and farm chemicals during the balance of this winter season. I am convinced that the so-called priority system articulated by the Federal Power Commission in its order 467 B, is totally inadequate to insure that next year's food production in the United States will not be jeopardized. The Senate of the United States, twice this past year, in its passage of Senate Resolutions 289 and 391 made it abundantly clear, in my judgment, that it considers the production of fertilizer and farm chemicals more "socially desirable" than other products manufactured that depend upon natural gas for their production. In Senate Resolution 391, which the Senate adopted on September 9, 1974, the Federal Power Commission was specifically asked to take immediate steps to provide the highest possible priority in the allocation of natural gas supplies for existing and expanded production of fertilizer, farm chemicals, and other agricultural uses of natural gas.

Now that it is all too apparent that the Federal Power Commission does not intend to carry out the intent and desire of the Senate, I have introduced a bill, S. 4216, which would legislatively mandate such priorities. Twenty-three other Senators have joined with me in cosponsoring this bill.

However, due to lateness in this session of Congress, it now appears that no action can be completed on this measure between now and adjournment. Therefore, I have asked the Senate Commerce and Interior Committees to consider amending S. 3267, the standby Energy Authorities Act to provide a 6-month emergency priority to fertilizer and farm chemical producers so that adequate supplies of these essential farm input products can be assured for use and application in connection with 1975 crop production.

Mr. President, I ask unanimous consent to have printed in the RECORD a draft of the text of this amendment, which I hope can be enacted into law before Congress adjourns.

There being no objection, the draft amendment was ordered to be printed in the RECORD, as follows:

NATURAL GAS FOR ESSENTIAL AGRICULTURAL PURPOSES

"SEC. . . For a period of six months after the date of enactment of this section, notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall within 5 days of application, grant applications for emergency relief to prevent interruption or curtailment of natural gas used as a raw material feedstock or process fuel, for which there is no substitute except propane, in the production of fertilizer and essential agricultural chemicals in existing plants to the extent required to prevent the impairment of production of fertilizer and essential agricultural chemicals except to the extent that any such amounts are required to maintain natural gas service to

existing residential and small commercial users.

WASHINGTON POST CALLS DEFEAT OF HELMS BILL "DISMAYING"

Mr. HELMS. Mr. President, this morning's Washington Post carries an editorial entitled "A Dismaying Defeat for North Carolina," about the killing of the New River bill in the House. As many Senators are aware, this bill, which passed the Senate 49 to 19 after a vigorous debate, has been pigeonholed through parliamentary maneuvering in the House Rules Committee.

While I agree fully that this is a dismaying defeat for North Carolina, I think that a better title would be "A Dismaying Defeat for the Country," since the real losers will ultimately be all of our citizens. While the concerns of the citizens of North Carolina are perhaps more immediate and more pressing, the country will be losing an irreplaceable natural resource, one that has been substantially unchanged for literally millions of years.

I am fully sensitive to the needs for power development in the United States; at the same time a project such as this has to be balanced against the benefits which will be destroyed and the benefits which will be gained. In less than 20 years, this project, if built, will be past its peak of operating efficiency. The historic rights of private property ownership, stretching back nearly 300 years, will be abolished. A great natural resource will disappear for future generations.

All that I can say at this point is that we tried as hard as we could in the Senate. I want to pay special tribute to my distinguished senior colleague from North Carolina (Mr. ERVIN), who graciously cosponsored my bill, and then took to the floor with an energetic and sustained argument on its behalf. I also want to compliment the entire North Carolina delegation, and especially Congressman MIZELL, who was the chief sponsor of the measure in the House. Their work on this bill was truly dedicated, even though in the end it was frustrated by the maneuvering which is described so well in the Post editorial.

Mr. President, I ask unanimous consent that the Post editorial be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A DISMAYING DEFEAT FOR NORTH CAROLINA

Last Wednesday afternoon, several members of the North Carolina congressional delegation came before the House Rules Committee to speak on behalf of legislation that would protect the New River. This scenic and unspoiled waterway in northwestern North Carolina is said by geologists to be the world's second oldest river, preceded only by the Nile. The river has been threatened for a number of years by plans of the Appalachian Power Company, a subsidiary of American Electric Power, to build two dams in a \$430 million hydroelectric project. Sen. Sam J. Ervin Jr. and Rep. Wilmer Mizell were among those asking the Rules members not to hold up legislation that would permit government officials to study the possibility of the New

River becoming part of the National Wild and Scenic River System.

Such a request appeared reasonable—merely asking Rules to allow the House to vote on a study. To the dismay of the North Carolinians, the committee voted 13 to 2 to "defer action" a term meaning the bill was dead. Once again, the Rules Committee reverted to its obstructionist ways by arbitrarily frustrating the legislative process. In the discussions about the bill nothing was mentioned about procedural matters, presumably the main jurisdiction of the Rules Committee. Instead, the members took it upon themselves to argue the merits of the legislation.

Actually, it was clear that the New River bill was a sound piece of legislation. It had the support of both the Interior Department and the Environmental Protection Agency. It had passed the Senate 49 to 19 and was approved by the House Interior Committee. Most important, the bill had strong support among the 3,000 persons whose farms and homes in the river's valley would be submerged. Several North Carolina newspapers waged editorial campaigns to keep the power company out, but the industry's aggressive lobby was putting pressure on the Rules Committee right into the afternoon of the fatal 13 to 2 vote.

It is no consolidation to the citizens along the New River whose croplands and pastures now appear to be lost to Appalachian Power, but the Rules Committee has a long and bleak record of killing off bills it doesn't like. Before the Rules vote, Assistant Secretary of the Interior Nathaniel P. Reed said the bill was threatened by "old school, outdated backroom monkey business." This was an allusion to the mischief of committee chairman Ray J. Madden (D-Ind.), who was holding the New River bill hostage until the Interior Committee voted out a bill to expand the Indiana Dunes National Lakeshore in Mr. Madden's home state.

The combination of Mr. Madden's intransigence and the lobbying of the power companies proved too much. A chance exists that the river still may be saved by a victory in federal court; the state and two North Carolina counties are challenging the Federal Power Commission on a procedural matter when the FPC issued the license for the dam. Until a decision is made by the courts, it stands that Congress has once again been mocked by a committee of 15 that acts like a government within a government.

GENEVA PROTOCOL

Mr. HUMPHREY. Mr. President, on December 12, the Committee on Foreign Relations took an historic step in voting unanimously to report out the Geneva protocol of 1925. The protocol, although originally proposed by the United States, was once refused by the Senate, then lingered 20 years without action, was returned to the White House and, following its resubmission in 1969, required almost 5 years to reach the floor.

Manifestly, the course of the protocol has not been an easy one. The compromise proposal offered by the administration was difficult to accept. Although we have long wanted the United States to become a party to the protocol, we insisted on finding a way to do this without undermining its broad scope. I believe we have done so.

The issues involved in acting on the protocol were analyzed by the Washington Post in an unusually perceptive and cogent editorial entitled "Against Chemical Warfare." I have an idea that the

Post summed up the feeling of many Members when it observed that "to ask for a more perfect treaty is, then, to sign away virtually all chances for any treaty at all."

Mr. President, I ask unanimous consent that the text of the Post editorial be printed in the RECORD at the conclusion of these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 12, 1974]

AGAINST CHEMICAL WARFARE

The administration's new compromise position on riot control agents and herbicides has made it very difficult for the Senate to continue refusing to ratify the Geneva Protocol that comes up in the Foreign Relations Committee today. The Protocol, a treaty first drafted in 1925 in revulsion against the use of poison gases in World War I, failed of American ratification then but was revived a few years ago in reaction to American use of chemicals in Vietnam. In asking the Senate to ratify, however, Mr. Nixon attached an "understanding"—which the committee found unacceptable—that riot control gases and herbicides would be excluded from the treaty ban because they are not "lethal" or "incapacitating." Mr. Ford has now reaffirmed that "understanding"; this was evidently done to keep the Joint Chiefs aboard. But he has renounced "as a matter of national policy" the first use of chemicals in war, with certain exceptions. He has renounced, that is, the practices of indiscriminate defoliation and widespread military use of CS (riot control) gas, while asserting that in principle no wrong was done in employing them.

Now, a strong case can be made that maintaining the American "understanding" will license other states to make their own unilateral and weakening interpretations of the treaty, and that renouncing chemical usages only "as a matter of national policy" would open the way for later changes of national policy whose effect would be to weaken the treaty. Those are the "worst-case" possibilities that trouble some of the persons most ardently in favor of an unconditional ban. At the same time, the closest students of the politics of the Geneva Protocol believe that the Joint Chiefs agreed to this version of the treaty only on the basis that it would be ratified without change. The Chiefs apparently feel they have gone as far as they can in accepting a change that will be used by some Pentagon critics to stigmatize the military's use of chemicals in Vietnam and to prevent the military from using chemicals in the future. That the Chiefs have the political influence to block the treaty is apparent. To ask for a more perfect treaty is, then, to sign away virtually all chances for any treaty at all and—what may be worse—to weaken the antichemical warfare coalition inside the government in its continuing effort, of which the treaty is only one part, to tighten the controls and shrink the budget of this particular branch of the military.

In addition, one must consider the five specific permitted uses of chemicals, which are identified in the administration's new compromise position—uses which the United States would reserve under the treaty. Applying herbicides to clear vegetation around immediate defensive perimeters is one such usage. The other four involve the use of riot control agents in "defensive military modes to save lives"; in actual riot control circumstances; "in situations where civilian casualties can be reduced or avoided," in rescue missions; and "in rear echelon areas outside the combat zone to protect convoys." Though the list seems a bit long, there need be no particular problem here. It is helpful

to identify these specific permitted uses, if only to add balance to a discussion too often dominated by indiscriminate attacks against any use of "gas," a horror word. Moreover, by the testimony of international lawyers, virtually all of these special uses would be permitted even under a treaty carrying a categorical ban on the first use of chemicals "in war," a phrase of legal art. These special uses also happen to cover just about all situations in which riot control gases might be used at home.

We understand the principles and risks that give pause to conscientious senators. But we lean (and not without a twinge) toward accepting the compromise the administration has offered the legislature. It seems to us worthwhile to gather the available benefits and to attempt to increase them over a time, rather than to reject the offered deal and tempt either the opposition of the Chiefs or the fatigue of those on the other side of the argument.

Meanwhile, we trust the committee will report out a pending companion treaty, the Biological Warfare Convention. This treaty formalizes Mr. Nixon's earlier unilateral renunciation of germ warfare. Its ratification would enable the United States, at this crucial moment when the treaty needs an international push, to throw its political and moral weight against any contemplation by other states of a loathsome form of war.

TRADE REFORM ACT OF 1974

Mr. HOLLINGS. Mr. President, I have supported cloture in order to insure that the Trade Reform Act does not become this year's "Christmas Tree." However, I have serious reservations about the bill's scope and effect.

First, I do not feel that the bill goes far enough in that it does not remove the present tax incentives that encourage multinational firms to build and expand abroad. While cloture prevents the consideration of such amendments because they are not germane, it is my feeling that the first order of business is the enactment of a sound Trade Reform Act. It was apparent that were cloture not to be invoked, the bill would become burdened with a myriad of unrelated proposals and would likely fall by the weight of those proposals. However, the present tax treatment of multinational corporations is improper. It is incumbent upon the new Congress to move quickly and decisively to change those tax provisions which encourage American businesses to move abroad and to keep their profits abroad.

My second concern relates to the present contents of this bill and can be addressed even though cloture has been invoked. In the fact of unemployment which is likely to exceed 6.5 percent the present provisions of this bill will work to accelerate the exportation of American jobs. Lookings at our employment picture today, there are 333,000 fewer manufacturing production jobs than there were 1 year ago, 199,000 fewer construction jobs, and 12,000 fewer transportation and public utilities jobs. This bill in its present form increases the incentives which encourage American firms to expand abroad to take advantage of cheap labor in the developing countries knowing their products can return to the United States at little or no extra cost.

Why should we allow the coffers of the multinational corporations to be enriched at the expense of our citizens' jobs? I am told that when there was a move in the committee to delete those provisions from title V of the bill, overnight the committee was flooded with telegrams from over 70 developing nations protesting such a deletion. I wonder how developing countries from around the world learned so quickly of the committee's deliberations.

The bill's response to the argument of job exportation is "adjustment assistance" which is just a form of unemployment compensation for workers and their firms. American workers do not want welfare, they want jobs. American business does not want loan guarantees, it wants a stable domestic economy in which to function.

The bill in its present form does not adequately protect American jobs and technology. Certainly, I seek to improve our international trading position, but we must do so in a way that also builds a healthy domestic economy. I am hopeful that during our consideration of this bill we can modify it so as to protect our vital industries, provide to our workers a fair chance to compete and still meet our international trade objectives.

ENACTMENT OF THE TRADE REFORM ACT IN THE 93D CONGRESS

Mr. JAVITS. Mr. President, the United States and most other nations today face their most serious economic challenge of the postwar period. Problems of energy, food, inflation, and recession pose unprecedented threats to employment and incomes, jeopardize international economic cooperation, and threaten to weaken political and security relationships. Unless we approach these problems constructively, and in conjunction with our principal trading partners, we and the world may soon face a crisis of major proportions.

These times call for positive and constructive American leadership. As the President of the United States stated on December 3, the United States cannot afford to drift in a sea of uncertainty when its highest economic interests call for decisive action. We cannot delay or do nothing when each passing week and month causes further stress on our economy and the global economy. We cannot claim leadership of the free world if we do not influence—with practical policies, conviction, and a sense of purpose—greater economic cooperation.

We must act to restore healthy growth to our economy. We must also play an active role in restoring health to the international economy. Although the United States is economically stronger and more self-sufficient than most countries, we must be under no illusion that we can go it alone. A deteriorating international situation would adversely affect the many millions of Americans whose jobs depend on exports or imports. It would be harmful to our political and security interests. And it would bring untold hardships to our friends and allies.

The importance of trade in our history goes back as far as the Boston Tea Party. While this famous historical event is best remembered for establishing the principle of no taxation without representation—it was also a trade matter. Disputes over trade and tariffs remained as key political issues throughout the early independence period and as we moved into the 19th century. It is often forgotten that the North-South conflict over tariffs, with the industrialized North favoring high protective tariffs on manufactures and the South low duties on manufacturing items, was an important contributing factor increasing tensions before the outbreak of the Civil War.

Following this tragic war, trade and tariff again remained as a key political issue and Presidential positions on trade matters influenced many and even decided a few elections. In the early 20th century, the passage of the restrictive Payne-Aldrich tariff which was signed into law by President Taft, even led to a split in the Republican Party and the formation of the Progressive Party in 1912—factors which led to Woodrow Wilson's sweeping victory. President Wilson quickly secured the passage of legislation revising our highly restrictive tariff structure and in his second term harassment of our shipping contributed to the American entrance into the First World War.

The next major signpost in our trade history occurred in 1922 when the Congress, reacting to some unfavorable economic conditions at home, passed restrictive tariff legislation. The error in passing this restrictive tariff act was compounded by the passage of the infamous Smoot-Hawley tariff in 1930. This bill passed the House in May 1929, and Senate consideration of the bill was well underway when the stock market crashed in October. The arguments which carried the day, and we hear echoes of these arguments even today, was that higher tariffs, by keeping out foreign goods, would create more jobs for workers and bigger profits for industry. The warning of other countries that they would retaliate went unheeded and as they retaliated international trade, production, and employment sharply declined. These factors deepened and prolonged the great depression of the 1930's. Between 1929 and 1933, the value of U.S. exports fell by almost 70 percent and the U.S. share of world exports fell from 16 percent in 1929 to 11 in 1933 and unemployment approached the 16 million mark.

To conclude this necessarily brief historical summary—the modern era of our trade relations began with Cordell Hull's reciprocal trade agreements program which resulted from the passage of the trade relations began with Cordell Hull's of these policies in this act carry over until the present day. Generally, these bipartisan outward-looking trade and tariff programs contributed to the enormous growth and prosperity of our Nation and of the international economic system over the past 40 years. The passage of the trade bill yesterday will allow the United States to build on this foundation and equip us with the tools with

which to reform the structure and to meet the new trade problems and challenges of today.

We need to establish a framework now within which we can seek mutually beneficial solutions which take into account the changes which have taken place and the probability that new developments will occur at a rapid rate.

Without these negotiations, it is my feeling that the world could take a step toward possibly destructive bilateral economic relations and increasing bilateral disputes. Such disputes probably would not be limited to nations, but would extend to defensive regional blocs. There is growing evidence that beggar-thy-neighbor policies are already increasingly attractive.

On the other hand, multilateral trade negotiations which will commence upon passage of the Trade Reform Act would establish an ongoing forum allowing for give-and-take negotiations on the key trade disputes between nations.

The trade negotiations in turn would tie into the tremendous range of issues being negotiated in different forums. There is an interdependence in all these negotiations and negotiations leading to an improved system to manage trade will play an important part in the overall movement away from confrontation and toward an era of negotiation.

Let me turn now from the historical perspective and treat two major themes. The first theme is the importance of trade to our domestic economy and to American jobs. The second theme is the importance of trade to our foreign policy.

In 1973, the last full year in which figures are available, U.S. exports and imports accounted for \$140 billion. In the first 9 months of this year, our two-way trade reached \$144 billion with imports running \$3 billion ahead of exports. This flow of goods is of enormous importance to our economy. This reemerging trade deficit has received much attention—and it is a matter of concern—but press analysis has seldom gone into the composition of our imports. Of every \$500 worth of imports approximately \$200 are natural resources or products of natural resources which are in limited supply in the United States. Included in this group would be petroleum, minerals, metal ores, forestry products such as lumber and wood pulp and fertilizers. If coffee, sugar, and cocoa are added to the list of natural resource-based imports, our total imports of such products would be \$29 billion in the first 9 months of 1974 out of total imports of \$73 billion. These imports then are products necessary for the functioning of our economy and without them our economy and our diet would be poorer. Our economy presently cannot run without substantial amounts of imported petroleum and imports of petroleum and petroleum products totaled some \$17 billion in the first 9 months of this year. The unacceptable high price of these petroleum imports are causing our economy and the world economy serious problems—but our only short-term alternative is to reduce consumption. Self-sufficiency is a long way down the road. Imports of other manufactured products also serve as a brake on inflationary

pressures and expand the choices available to consumer.

Turning to our exports, let me point out that our trade balance in technologically intensive goods grew from \$10.6 billion in all of 1973 to \$13.2 billion in the first 9 months of this year. There are jobs in these statistics and jobs are involved in all our export activities. As we consider trade legislation then, let us reflect on job creation as well as upon the well-publicized job losses due to imports. In my judgment, the balance in terms of jobs is highly favorable. But consideration must be given to those who are adversely affected by trade. The Trade Reform Act makes provision for a meaningful adjustment assistance program, as well as provide for the authority to impose duties and quotas on imports that are injuring domestic industries. I have consistently advocated adequate adjustment assistance programs and concur with the complaint of organized labor that the adjustment assistance programs of the Trade Expansion Act of 1962 often provided only burial insurance 6 years after the funeral. Also, much greater responsibility to their employees should be taken by companies shifting production abroad than they assume now.

A second major reason for the trade bill is its relationship to the intricate web of political, security, and economic ties binding the nations of the world together.

Solutions to major economic problems and the building of cooperation and détente will be furthered by trade negotiations. The various aspects of our foreign policy are as interdependent as the world they address. The very important progress toward a sharing of international responsibility for the well-being of the world economy and for maintenance of a stable peace will be enhanced if the United States participates constructively in multilateral trade negotiations and takes advantage of authority in the bill to deal with special interests relating to developing and Communist countries.

Our relations with Europe, Canada, and Japan—whose cooperation is necessary to deal with major problems of food and energy, to build an improved international monetary system, and to maintain a strong system of security—will benefit from negotiations to resolve present trade issues and to find new ways of resolving those which will inevitably arise from time to time. And American labor, business, and consumers will benefit from the expanded trade which will result. Relations with developing countries, on which we are increasingly reliant for raw materials and other commodities, will be enhanced if we meet our commitment to provide generalized tariff preferences and avoid encumbering them with highly objectionable restrictions; and our economy will gain from the contribution which preferences can make to the prosperity and market growth of these nations. Our policy of détente will be furthered—and with prospects for cooperation in troubled areas of the world—if we have the necessary authority to negotiate most-favored-nation ar-

rangements; and we will benefit from the potential trade opportunities which will accrue from improved economic ties with Communist countries.

Many nations have worked hard over the past 2 years to bring about multilateral trade negotiations. In large part, this was in response to a strong American desire for an improved international trading system, a desire voiced by both the executive branch and the Congress. The prospects now look good but we should still remember that failure finally to enact the trade bill would be seen as a major reversal of the earlier American desire to cooperate internationally, and as evidence of lack of American credibility. Faced with this reversal, other countries would be less able to hold off protectionist pressures. The argument that countries should forego unilateral actions because multilateral solutions could be achieved in trade negotiations would no longer carry much weight. The consequences for the international trading system and for our economy would be tragic. Trade conflicts would add a further destabilizing force in a world already suffering from the profound impact of other serious economic ills. And the spillover to political and security arrangements would further worsen the situation.

We, among all nations, have the ability to play a constructive leadership role. If this trade bill—on which so much effort has been spent—fails by any chance to become law, we will have lost an opportunity which we are unlikely to have again in the near future. A chance for major world economic progress will have passed us by. A chance to do what is necessary—to improve the international trade system—will have been lost. The world will suffer. We will suffer.

Finally, I am particularly gratified that together with Senator JACKSON and Senator REICOFF, we have successfully proved that trade concessions to the Soviet Union can be equated with the human rights issue of Soviet emigration policies. We have achieved a historically significant advance in this regard.

SENATOR MOSS' LETTER TO PRESIDENT FORD

Mr. HUMPHREY. Mr. President, several days ago 71 Members of this body wrote to the President expressing our views on the clear and present danger the PLO presents to American efforts to negotiate a lasting peace in the Middle East. The signators of the letter also expressed their firm support for the continuation of strong American efforts to aid the State of Israel.

My friend and colleague from Utah (Mr. MOSS) recently wrote the President expressing his strong commitment to Israel and his fundamental agreement with the statement of his colleagues concerning our condemnation of UNESCO's decision to withhold assistance to Israel.

I believe that Senator Moss' letter deserves the attention of his Senate colleagues as an excellent statement of views which certainly are shared by a

majority of Members of Congress and the American people.

Mr. President, I ask unanimous consent that Senator Moss' letter to President Ford be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, D.C., December 12, 1974.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Recent procedure in the United Nations General Assembly prompts me to again confirm my commitment to the right of Israel to remain a separate and independent State. The General Assembly's vote to limit the right of Israel to reply in debate to the Palestine Liberation Organization is a deplorable departure from the underlying policy and intent of the United Nations. Unless a complete hearing of all sides of the issue is allowed we can only anticipate a final resolution on the battlefield.

Additionally, I agree with the statement of my Senate colleagues, that "the decision by UNESCO to withhold assistance to Israel is a shameful example of the transformation of that international humanitarian organization into a political weapon." I urge you to reaffirm the commitment of this Nation to the principles upon which the United Nations was founded, and to assert the United States' position in the General Assembly when that body departs from those principles.

The events in the General Assembly and at the Rabat conference emphasize the need for this Nation to initiate greater effort to bring peace to the Middle East through negotiation. We must not falter in our total commitment to the continuing existence of Israel. However, we cannot let that commitment cloud our vision; we must remain fully cognizant of all of the disputes and exert every effort to aid in their peaceful settlement.

In following the course of negotiation we should never become subject to threats of physical terrorism or economic retaliation. This Nation must reiterate its refusal to recognize those who employ or espouse such tactics. I urge you to reaffirm our continued support of Israel against any aggressor who would rely on such activities or reprisals as a means to their end.

I also urge you to take immediate steps to initiate and extend a united effort by this Nation and its allies to aid in re-establishing negotiations to bring a peaceful settlement to the Middle East, and especially to resolve the Palestinian question. A lack of urgency on the part of the World Community to find a solution to the Palestinian refugee problem has persisted for 25 years. Failure to make progress enabled Arafat to arise and, stunningly, to gain Arab sanction at Rabat to represent the Palestinians. This was a great setback. Israel and all nations must press on for a solution. To temporize or stall longer will lead to further deterioration of the situation. Your efforts toward this purpose will be in the best interests of this Nation and the World Community.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

CRITICAL TIME FOR THE UNITED NATIONS

Mr. HUMPHREY. Mr. President, the gravest problems we face today are international problems. Inflation is an international problem. The shortage of food and the high cost of fuel are in-

ternational problems. Ever-increasing defense expenditures are a world problem. The need to protect our fragile environment is a world problem. We need a strong and effective United Nations to deal with these problems.

Yet, at this critical time the United Nations has been seriously weakened by a series of actions taken by the 29th General Assembly. As Ambassador Scali pointed out on December 6 in his speech before the General Assembly, the U.N.'s greatest strength has always lain in its bridging the difference between states. To be at all effective, the United Nations must always be a conciliatory body, a place where nations can negotiate settlements of their differences.

Yet on several key issues over the past months, the U.N. General Assembly has become instead an arena for confrontation. It has taken sides on international disputes rather than seeking to negotiate settlements. To the winners by majority vote have gone the few diplomatic "spoils" the General Assembly has to confer: Yasir Arafat was welcomed with the protocol reserved for heads of member states; the Palestinian Liberation Organization was granted permanent observer status; and the right of the Palestinians to independence "in Palestine" was recognized. Israel, on the other hand, lost by majority vote \$24,000 in aid from UNESCO.

But the real loser has been the United Nations. For the General Assembly can do little to enforce its resolutions, especially if they violate the interests of a significant minority. It is an advisory body to sovereign nations—and its power goes only so far as its ability to work out agreements with which member states will willingly comply. By taking sides in an international conflict, the General Assembly loses much of its leverage over the parties involved, and loses much of its credibility and support among other countries as well.

This country has always been a supporter of majority rule—but never of majority rule without minority rights. Unfortunately, in this General Assembly the minorities have lost their right to speak. South Africa has been suspended from the session. Israel's right to speak during the Middle East debate was curtailed. As a December 13 editorial in the New York Times pointed out, the United States shares some of the blame for this "tyranny of the majority." When the United States controlled the Assembly's majority in the 1950's, we used our power to push through resolutions against the Soviet Union and to keep the People's Republic of China out of the United Nations. We must now recognize that these were mistakes if we are to be heard in our arguments that the United Nations must be inclusive rather than exclusive. We must demonstrate in our actions the strength of our commitment to an effective United Nations. We cannot simply condemn the resolutions that are passed. We must propose sound alternatives that reflect our conviction that the United Nations should be a conciliatory body.

The actions of the 29th General Assembly—the suspension of South Africa, the curtailment of Israel's right to speak, the support for the PLO's claims—violated the rules by which the United Nations must function and the spirit of the United Nations Charter itself. Both the major powers and the smaller countries must now recognize that these actions have weakened the United Nations—and that a strong U.N. is in everyone's interest.

Mr. President, I ask unanimous consent that Ambassador Scali's December 6 speech before the General Assembly and the New York Times editorial of December 13, "Erosion of the U.N.," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 13, 1974]

EROSION OF THE U.N.

The twenty-ninth United Nations General Assembly will wind up a tumultuous session next week with several "firsts"—all of them damaging for the organization and probably for the cause of international peace and security as well.

There is nothing new in the spectacle of one-sided resolutions rammed through by the automatic Afro-Asian-Arab majority with hypocritical help from the Communist regimes—though at this session these resolutions may have been more numerous and more irrelevant than usual. What was alarmingly new about Assembly No. 29 was the zest with which the majority, aided by the most capricious presiding officer in its history, disregarded the rules by which any such body must function and violated the spirit, if not always precisely the letter, of the United Nations Charter in a vain effort to work its will.

Thus, after they had been blocked by American, British and French vetoes in the Security Council in their drive to expel South Africa, the militant African states simply had Assembly President Abdelaziz Bouteflika of Algeria decree South Africa's suspension from this session—and mustered their usual majority to back his ruling. This circumvention clearly violated the intent of Article 5 of the U.N. Charter to leave the ultimate suspension power with the Security Council.

The African trade-off for Arab votes against South Africa helped deliver the majorities that produced the other dubious "firsts" of this Assembly: the welcome for Yasir Arafat with the protocol reserved for heads of member states, the granting of permanent U.N. observer status to his Palestine Liberation Organization, the recognition of the right of the Palestinians to independence and sovereignty "in Palestine," meaning in Israel, and the curb on Israel's right to speak during the Middle East debate.

The United Nations Educational, Scientific and Cultural Organization, usually immune from political influences, was also affected. A majority of UNESCO's general conference in Paris last month condemned Israel for "altering the historical features of Jerusalem," cut off a modest \$24,000 in aid—far less than Israel contributes—and excluded Israel from UNESCO's European grouping without admitting her to any other region.

In major Assembly addresses, American Ambassador John A. Scali and colleagues from Britain, France, West Germany, Italy, Belgium, Denmark and even neutral Sweden have warned that passage of unrealistic, one-sided resolutions which cannot be carried out serves only to undermine the credibility of the United Nations and to erode the

already-precarious financial support for its operations. Credibility is also damaged when the General Assembly's Legal Committee, under Arab pressures, blithely decides to postpone for another year any consideration of proposals for United Nations action against international terrorism, an abomination from which not one of the 138 member states is immune.

The angry responses by some third world delegates to Mr. Scali's warnings of erosion of support for the U.N. by the American people do contain some truth. When the United States controlled the Assembly's majority in the 1950's, it often rammed through unrealistic resolutions designed to keep the Soviet Union in the dock. The United States also proposed the Uniting for Peace resolution of 1950, aimed at by-passing a Security Council that was often blocked by Soviet vetoes. Washington was also a late convert to the idea of universal U.N. membership, as illustrated by its long fight to exclude the People's Republic of China.

Admittedly, Ambassador Scali's "tyranny of the majority" analysis in the present Assembly would have been more effective if he had conceded that American-led majorities in the very different Assembly of twenty years ago also served at times to discredit the U.N. But no past American high-handedness can excuse the illegal suspension of a founding member, the recognition bestowed on a terrorist group pledged to the destruction of a member or the limitation on Israel's right to defend itself in Assembly debate.

It ought to be a prime objective of those whose security depends—whose very survival might one day depend—on the United Nations to avoid emulating past examples of misbehavior that could only enfeeble the organization. For it is the smaller, poorer, weaker states that provide the bulk of that automatic Assembly majority and it is precisely these states that need a healthy, functioning, relevant United Nations most of all.

These states especially should try to look beyond the intoxication of their irrelevant "victories" in Assembly ballots to the larger, more compelling issue. That issue is nothing less than the survival of the United Nations.

[From the New York Times, Dec. 7, 1974]

THE TEXT OF THE ADDRESS BY SCALI BEFORE THE UNITED NATIONS GENERAL ASSEMBLY

UNITED NATIONS, N.Y., December 6.—Following is the text of the speech by John A. Scali, the United States representative, to the General Assembly today:

Last year the United States delegation sought to call attention to a trend which we believed threatened the United Nations' potential as an instrument for international cooperation. We were deeply concerned then over the growing tendency of this organization to adopt one-sided, unrealistic resolutions that cannot be implemented.

Today, more than a year later, my delegation feels that we must return to this subject because this trend has not only continued, but accelerated. Added to this, there is now a new threat—an arbitrary disregard of United Nations rules, even of its Charter. What my delegation spoke of 12 months ago as a potential threat to this organization unhappily has become today a clear and present danger.

The United States Government has already made clear from this rostrum its concern over a number of Assembly decisions taken during the Sixth Special Session last spring, and during the current session. These decisions have dealt with some of the most important, the most controversial, and the most vexing issues of our day: the global economic crisis, the turmoil in the Middle East, and the injustice in Southern Africa. I will not today discuss again our main con-

cerns with each of these decision. Rather, I wish to take this opportunity to discuss the more general question of how self-centered actions endanger the future of this organization.

The United Nations, and this Assembly in particular, can walk one of two paths. The Assembly can seek to represent the views of the numerical majority of the day, or it can try to act as a spokesman of a more general global opinion. To do the first is easy. To do the second is infinitely more difficult. But, if we look ahead, it is infinitely more useful.

There is certainly nothing wrong with like-minded groups of nations giving voice to the views they hold in common. However, organizations other than the United Nations exist for that purpose. Thus, there are organizations of African states, of Asian states, of Arab states, of European states, and of American states. There are groups of industrialized nations, of developing nations, of Western and Eastern nations, and of non-aligned nations. Each of the organizations exists to promote the views of its membership.

A DISTINCTION IS MADE

The United Nations, however, exists not to serve one or more of these special interest groups while remaining insensitive to the others. The challenge of the United Nations is to meld and reflect the views of all of them. The only victories with meaning are those which are victories for all.

The General Assembly fulfills its true function when it reconciles opposing views and seeks to bridge the differences among its member states. The most meaningful test of whether the Assembly has succeeded in this task is not whether a majority can be mobilized behind any single draft resolution, but whether those states whose cooperation is vital to implement a decision will support it in fact. A better world can only be constructed on negotiation and compromise, not on confrontation which inevitably sows the seeds of new conflicts. In the words of our Charter, the United Nations is "to be a center for harmonizing the actions of nations in the attainment of these common ends."

No observer should be misled by the coincidental similarities between the General Assembly and a legislature. A legislature passes laws. The General Assembly passes resolutions, which are in most cases advisory in nature. The resolutions are sometimes adopted by Assembly majorities which represent only a small fraction of the people of the world, its wealth, or its territory. Sometimes they brutally disregard the sensitivity of the minority.

Because the General Assembly is an advisory body on matters of world policy, the pursuit of mathematical majorities can be a particularly sterile form of international activity. Sovereign nations, and the other international organs which the Assembly advises through its resolutions, sometimes accept and sometimes reject that advice. Often they do not ask how many nations voted for a resolution, but who those nations were, what they represented, and what they advocated.

Members of the United Nations are endowed with sovereign equality. That is, they are equally entitled to their independence, to their rights under the Charter. They are not equal in size, in population, or in wealth. They have different capabilities, and, therefore, different responsibilities, as the Charter makes clear.

Similarly, because the majority can directly affect only the internal administration of this organization, it is the United Nations itself which suffers most when a majority, in pursuit of an objective it believes overriding, forgets that responsibility must bear a reasonable relationship to capability and to authority.

Each time this Assembly adopts a resolution which it knows will not be implemented, it damages the credibility of the United Nations. Each time that this Assembly makes a decision which a significant minority of members regard as unfair or one-sided, it further erodes vital support for the United Nations among that minority. But the minority which is so often offended may in fact be a practical majority, in terms of its capacity to support this organization and implement its decisions.

OTHER NEGATIVE EFFECTS CITED

Unenforceable, one-sided resolutions destroy the authority of the United Nations. Far more serious, however, they encourage disrespect for the Charter, and for the traditions of our organization.

No organization can function without an agreed-upon framework of rules and regulations. This framework for this organization was built in the light of painful lessons learned from the disastrous failure of its predecessor, the League of Nations. Thus, the United Nations Charter was designed to insure that the important decisions of this organization reflected real power relationships, and that decisions, once adopted, could be enforced.

One of the principal aims of the United Nations, expressed in the Preamble of its Charter, is "to practice tolerance and live together in peace with one another as good neighbors." The promise the American people and the peoples of the other founding nations made to each other—not as a matter of law, but as a matter of solemn moral and political obligation—was to live up to the Charter and the duly made rules unless or until they were modified in an orderly, constitutional manner.

The function of all parliaments is to provide expression to the majority will. Yet, when the rule of the majority becomes the tyranny of the majority, the minority will cease to respect or obey it, and the parliament will cease to function. Every majority must recognize that its authority does not extend beyond the point, where the minority becomes so outraged that it is no longer willing to maintain the covenant which binds them.

My countrymen have made a great investment in this world organization over the years—as host country, as the leading financial contributor, and as a conscientious participant in its debates and negotiations and operational programs. Americans have loyally continued these efforts in a spirit of good faith and tolerance, knowing that there would be words spoken which we did not always like and resolutions adopted which we could not always support.

As the 29th General Assembly draws to a close, however, many Americans are questioning their belief in the United Nations. They are deeply disturbed.

During this 29th General Assembly, resolutions have been passed which uncritically endorse the most far-reaching claims of one side in dangerous international disputes. With this has come a sharply increased tendency in this Assembly to disregard its normal procedures to benefit the side which enjoys the favor of the majority, and to silence, and even exclude, the representatives of member states whose policies the majority condemns. In the wake of some of the examples of this Assembly, the General Conference of UNESCO has strayed down the same path with the predictable consequences of adverse reaction against the United Nations. Innocent bystanders such as UNICEF already have been affected.

"PAPER TRIUMPHS" DEPLORED

We are all aware that true compromise is difficult and time-consuming, while bloc voting is fast and easy. But real progress on contentious issues must be earned. Paper triumphs are, in the end, expensive even for

the victors. The cost is borne, first of all, by the United Nations as an institution, and, in the end, by all of us. Our achievements cannot be measured in paper.

A strong and vital United Nations is important to every member state, and actions which weaken it weaken us all, particularly the smaller and the developing nations. Their security is particularly dependent on a collective response to aggression. Their prosperity particularly depends on access to an open and expanding international economy. Their ability to project their influence in the world is particularly enhanced by membership in international bodies such as the United Nations.

In calling attention to the dangerous trends, I wish also to call attention to the successes of the United Nations during the last year.

United Nations members overcame many differences at the World Population Conference and the World Food Conference. There was also progress at the Law of the Sea Conference. There was agreement on programs encouraging states to maintain a population which they can feed, and feed the population which they maintain. As a result of these United Nations conferences, the world community has at last begun to grapple with the two fundamental issues which are central to any meaningful attempt to provide a better life for most of mankind.

In the Middle East a unique combination of multilateral and bilateral diplomacy has succeeded in halting last year's war and in separating the combatants. With goodwill and cooperation, the Security Council has renewed the mandate for the peace forces, allowing time for a step-by-step negotiating process to bear fruit. My Government believes that this negotiating process continues to hold the best hope in more than a quarter of a century for a just and lasting peace in that area.

GAINS ON CYPRUS NOTED

On Cyprus, the Security Council, the Assembly and our Secretary General have all contributed to progress toward peace and reconciliation. Much remains to be done, but movement toward peace has been encouraged.

Perhaps the United Nations' most overlooked success of the past year resulted from the mission of the Secretary General's representative, Mr. Weckmann-Munos. This effort, which was undertaken at the request of the Security Council, succeeded in mediating a particularly dangerous border dispute between Iran and Iraq. This example of how to prevent small conflict from blowing up into a much bigger war must rank among the United Nations' finest, if least heralded, achievements.

Thus, despite the disturbing trend toward the sterile pursuit of empty majorities, recent United Nations achievements demonstrate that this organization can still operate in the real world in the interests of all its members. Unfortunately, failure and controversy are threatening to overshadow the record of successes. Its lapses are long remembered and remain a source of lasting grievance for those who feel wronged.

Before concluding my remarks, I would like to say a few words, not as the United States representative to this organization, but as an American who has believed deeply in the United Nations since 1945 when, as a young reporter just returned from the war, I observed the birth of this organization.

I must tell you that recent decisions of this Assembly, and of other United Nations bodies, have deeply affected public opinion in my country. The American people are deeply disturbed by decisions to exclude member states, and to restrict their participation in discussions of matters of vital concern to them. They are concerned by moves to convert humanitarian and cultural programs into tools of political reprisal. Neither the American public nor the American Con-

gress believe that such actions can be reconciled with the spirit or letter of the United Nations Charter. They do not believe that these decisions are in accord with the purposes for which this organization was founded. They believe the United Nations, in its forums, must show the same understanding, fair play and responsibility which its resolutions ask of individual members.

My country cannot participate effectively in the United Nations without the support of the American people, and of the American Congress. For years they have provided that support generously. But I must tell you honestly that this support is eroding—in our Congress and among our people. Some of the foremost American champions of this organization are deeply distressed at the trend of recent events.

A majority of our Congress and our people are still committed to achieving peaceful solutions to the issues which confront this organization, in the Middle East, in South Africa, and elsewhere. They are still committed to building a more just world economic order. But the trends and decisions of the past few months are causing many to reflect and reassess what our role should be.

IRRELEVANCY WARNED OF

I have not come to the General Assembly today to suggest that the American people are going to turn away from the United Nations. I believe that World War II taught Americans the tragic cost of standing aside from an organized international effort to bring international law and justice to bear on world problems. But, like every nation, we must from time to time reassess our priorities, review our commitments, and redirect our energies. In the months ahead, I will do all in my power to persuade my countrymen that the United Nations can return to the path the Charter has laid out and that it can continue to serve the interests of all of its members.

If the United Nations ceases to work for the benefit of all of its members, it will become increasingly irrelevant. It will fade into the shadow world of rhetoric, abandoning its important role in the real world of negotiation and compromise.

We must join to prevent this. The reasons for which this world organization was founded remain as valid and as compelling today as they were in 1945. If anything, there is added reason: the specters of nuclear holocaust, world depression, mass famine, over-population and a permanently ravaged environment.

If we are to succeed, we must now renew our commitment to the central principles of tolerance and harmony upon which the United Nations Charter was built. We must redouble our efforts to use this organization as the world's ultimate instrument for compromise and negotiation.

I pledge my nation to these efforts.

MEDICARE CUTBACKS AND THE UNIFIED BUDGET

Mr. CHURCH. Mr. President, our double digit inflation during the past year demands immediate attention in the highest councils of Government.

And to my way of thinking, Federal spending must be reduced sharply. But at the same time, the budget knife must be applied prudently and sensibly.

For this reason, I was shocked by administration plans, once again, to thrust the aged and disabled into the front ranks as inflation fighters.

The revised budget, which was recently submitted to the Congress, proposes to saddle older and disabled Americans with new and burdensome medical costs in the

name of fighting inflation for the rest of us.

The new proposals are euphemistically called "medicare cost-sharing" provisions. But these measures would add nearly \$425 million to the medical and hospital bills of the elderly and disabled during fiscal year 1975.

I was disturbed also because these proposals reveal a willingness to play fast and loose with the concept of contributory social insurance—our social security system.

What does this proposal amount to? It amounts to a major reduction in the protection furnished people under the contributory hospital insurance program but no decrease in the contributions to be paid for the protection. Thus, the "savings" can be used to give the appearance of a reduction in the budget deficit.

At best, this is a serious misunderstanding of the nature of contributory social insurance. At worst, it is dishonest.

If protection under the hospital insurance program were to be reduced—a proposition I strongly oppose—it would be only fair to reduce the contributions for the protection.

Therefore, this is solely a maneuver to present a better general budget picture than in fact exists. What would happen if this proposal were to be adopted is that the excess collections from hospital insurance—excess because of the reduction in the protection furnished—would be borrowed by the Treasury for general purposes and bonds in a like amount issued to the hospital insurance trust fund. This is no way to "balance the budget."

There is no deficit in hospital insurance financing. In fact, the program is overfinanced for many, many years into the future.

THE ADMINISTRATION PROPOSAL

Under present law, a medicare beneficiary pays an \$84 deductible when admitted to a hospital and then pays nothing else until the 61st day.

But the administration plan would change this drastically.

First, it would add a coinsurance payment equal to 10 percent of charges above \$84. Assume that an older American was hospitalized for 30 days at a \$100 a day—for a total hospital bill of \$3,000. If the administration's proposal became law, the medicare beneficiary would pay \$375.60 under this example, compared with \$84 under present law.

Second, the administration proposal would increase the annual deductible for the part B supplementary medical insurance program from \$60 to \$67, effective this coming January. Thereafter, the deductible would rise proportionately with social security percentage increases. The effect of this measure would be to partly offset social security cost-of-living increases on into the future.

The administration does have one good proposal in its recommendations on medicare. They propose to set a ceiling on the amount paid by a medicare patient—\$750 for a spell of illness under the hospital insurance program and \$750 per calendar year under part B. But these amounts would also rise in proportion

to the percentage increases in social security benefits.

The net impact is that social security beneficiaries would suffer a reduction in purchasing power to cover their other needs.

PROTECTING THE SOCIAL SECURITY PROGRAM—S. 3143

This recent proposal by the administration underscores the importance of separating the transactions of the social security and medicare programs from the unified budget. It is because the separately financed programs of social security and hospital insurance are lumped in with other Government operations that the administration is tempted to make these unsound proposals and to deliberately create surpluses in the hospital insurance program as a way of appearing to balance the overall budget. This should be stopped.

Until the fiscal year 1969 budget, the financial transactions of the social security system were—except for purposes of economic analysis—kept entirely separate from the general revenue income and expenditures. This is the way it should be.

Mr. President, I am pleased that there are already 50 Senators sponsoring my proposal—the Social Security Administration Act, S. 3143—to separate the transactions of the social security trust funds from the unified budget.

Additionally, this bill would reestablish the Social Security Administration as an autonomous agency outside the Department of Health, Education, and Welfare. This new agency would be under the direction of a three-member governing board appointed by the President with the advice and consent of the Senate.

An independent agency, I strongly believe, would help to emphasize the essential difference between contributory social insurance programs and other operations of the Government.

Social security and the hospital insurance program are self-financed programs, paid for by workers and their employers, and the self-employed. Benefits are based upon past earnings and contributions, and they constitute a special commitment by the Federal Government—a compact with the contributors. The Federal Government stands in the position of a trustee for those who have built up rights under social security and medicare and has no business considering reductions in the protection which people have been promised. If the differences between the contributory social security program and the general programs of Government are not carefully maintained, we run the risk of great disillusionment on the part of the 100 million contributors to the social security and medicare programs. It is high time that the administration stop playing politics with the social security and medicare trust funds.

Mr. President, I ask unanimous consent that a listing of the cosponsors of S. 3143 be printed in the Record. With such strong support, I am hopeful that this measure can soon be enacted into law.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SPONSORS OF S. 3143

Mr. Church, Mr. Allen, Mr. Gravel, Mr. Tunney, Mr. Haskell, Mr. Ribicoff, Mr. Biden, Mr. Chiles, Mr. Gurney, Mr. Inouye.

Mr. Stevenson, Mr. Hartke, Mr. Bayh, Mr. Clark, Mr. Huddleston, Mr. Mathias, Mr. Kennedy, Mr. Brooke, Mr. Hart, Mr. Mondale.

Mr. Humphrey, Mr. Eastland, Mr. Eagleton, Mr. Metcalf, Mr. Bible, Mr. Cannon, Mr. McIntyre, Mr. Williams, Mr. Case, Mr. Montoya.

Mr. Domenici, Mr. Javits, Mr. Young, Mr. Burdick, Mr. Metzenbaum, Mr. Hatfield, Mr. Scott (Pa.), Mr. Schweiker, Mr. Pastore, Mr. Hollings.

Mr. McGovern, Mr. Abourezk, Mr. Brock, Mr. Moss, Mr. Stafford, Mr. Magnuson, Mr. Jackson, Mr. Randolph, Mr. Nelson, Mr. McGee.

MINNESOTA AGRICULTURE REPORTS ON THE WORLD FOOD CONFERENCE

Mr. HUMPHREY, Mr. President, a very comprehensive report on the World Food Conference was prepared by Milton Hakel, editor of the Minnesota Farmers Union. This special report was included in the November 21 issue of the Minnesota Farmers Union paper, Minnesota Agriculture.

I commend Mr. Hakel for his outstanding report which covers the major inputs of the conference. Mr. Hakel was in Rome throughout the conference from November 5-16, and his report gives us a comprehensive summary of the events and recommendations of the conference.

Mr. President, I ask unanimous consent that the major articles of this issue of Minnesota Agriculture be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minnesota Agriculture, Nov. 21, 1974]

THE BALANCE SHEET ON THE U.N. WORLD FOOD CONFERENCE: A SOLID BEGINNING—NOW EVERYTHING, INCLUDING LIVES, DEPENDS ON FOLLOW THROUGH

(By Milton D. Hakel)

There were both achievements and disappointments in the UN World Food Conference which closed Saturday evening in the Palazzo dei Congressi in Rome, Italy. The achievements outweighed the disappointments, in this observer's opinion.

But, as with any United Nations meeting, the long-term effect is what the member governments do with the recommendations which were developed.

Without a question, it was a solid beginning.

Among the concrete developments were: 1. Agreement on the establishment of an "umbrella" unit, to be known as the World Food Council, to coordinate food planning and activities within the family of UN agencies, and to report through the Economic and Social Commission to the UN itself.

2. Establishment of a food information "early warning system" to monitor crop conditions and supplies to head off possible disaster situations. The inadequacy of existing machinery is shown in that the Sahelian drought disaster was not discovered by the world generally until it had persisted for four years and then it took one year before appreciable aid was delivered.

3. Creation of an international fund for

agricultural development. The U.S. has agreed to participate in this effort which will raise the present \$1.5 billion in development aid to \$5 billion a year in 1980.

4. Creation of an internationally coordinated system of nationally held food reserves.

5. Establishment of a three-year emergency food aid program, projected at 10 million tons of grain each year. The U.S. has accepted this goal in principle, although it refused to make an immediate "down payment" with a pledge such as suggested by a bi-partisan group of U.S. Senators on the American delegation.

6. Proposed that nations divert 10% of their arms spending to useful humanitarian objectives.

7. Development of a special fertilizer program to assist developing countries in obtaining adequate supplies at reasonable costs.

There were several less tangible developments:

1. The gravity of the food crisis has been demonstrated. Secretary of Agriculture Earl L. Butz is probably the only remaining person who is unconvinced about its urgency.

2. Agriculture is better appreciated in both industrial and developing worlds—and by many people who never have had to take an interest before.

3. The need for remunerative farm income—essential as an incentive for abundant production—was driven home solidly by speaker after speaker and surely now should have entered the consciousness of many, many policy makers of the nations of the world.

4. Hundreds of people who never knew that farmers of the world have a global organization now know that the International Federation of Agricultural Producers (IFAP) exists. Not only exists, but has substantive ideas and a sense of responsibility about finding solutions to the world food crisis.

The total effect cannot help being constructive, despite the disappointment with the negative conduct of the official U.S. delegation.

From here on, the American people can take an interest in seeing that there is a follow-through. They can propel the U.S. back into the leadership role where by nature and inclination we belong.

FOOD TODAY, TOMORROW, AND THEN WHAT?

As far as Americans are concerned, we have reached this rather precarious situation because we are without a truly comprehensive national food policy in this country.

Policy-making officials in the U.S. Department of Agriculture have been telling Congress and the people that it is wrong for the government to plan, to set food production goals, to give farmers incentives to produce, to adjust their prices and income in line with costs or to create and maintain publicly-held food reserves so that shortages can be avoided. We are told to leave everything to the "market system."

But, many Americans are not convinced that the "market system" is serving us very well. They are convinced it is no longer good enough to leave everything to chance.

The lack of an enlightened national food policy impaired the ability of the American delegation to give positive leadership at the World Food Conference in Rome.

America needs a comprehensive new farm and food policy—for the sake of its own citizens, and to give substantive support to the goals set by the World Food Conference.

From here on, everything, including the lives of people now existing on the brink of starvation, depend on the follow-through.

Since it is mainly the productivity of American farms that stands between the world and hunger, the follow-through begins with Americans and their farm policy at home.

ABOUT THIS FOOD CONFERENCE REPORT

(By Milton D. Hakel)

In the World Food Conference, there were always three official meetings going on at one time—a plenary session and two or three major committee meetings. In addition there were numerous meetings of non-governmental participants, news briefing, seminars, and so on.

No one person would have been able to cover all the fronts.

Neither did this observer.

In fairness, we should acknowledge that without exceptionally good work done by the FAO press corps in producing, within a few hours, summaries providing the highlights of many of the national statements, it would not have been possible for this or many other correspondents to do a comprehensive job of reporting.

Likewise, the conference's unofficial newspaper, "PAN" did a service in alerting the media to stories which might otherwise have missed attention.

The photographs appearing in this special report are largely the work of the FAO photographic staff. The pictures on pages 8, 9, and 10 are by the Rome firm of Ocelli Photographers. The pictures on Dick Gregory and Hubert Humphrey are by London pro Joe Danzig.

Where editorial opinions are expressed, they represent the reaction of this editor and in no way reflect the opinion of the World Food Conference or the UN FAO.

UN'S 1974 WORLD FOOD CONFERENCE MAY HAVE MADE GREATEST FOOD POLICY DECISIONS IN 3000 YEARS

There have been food conference and food policy decisions before.

The greatest of all probably dates back to about 1200 B.C., when Joseph persuaded the Pharaoh of Egypt to accumulate grain in the plentiful years to safeguard the people's needs in the lean years.

Nearly 2,900 years later the idea of accumulating in the bountiful years to provide protection against lean years was certainly in the minds of Roosevelt Administration planners when they developed the "ever-normal granary" concept in farm legislation.

Global food discussions began to be held early in the 1900's with the formation of the International Institute of Agriculture. Near the end of World War II, with the coming of the UN, world leaders including some such as NFU's Jim Patton foresaw the need both for an agricultural agency in the UN and a farmers' organization. So, the UN Food and Agriculture (FAO) organization was conceived at the Hot Springs Conference in 1943. FAO was formed in 1945, shortly thereafter, the International Federation of Agricultural Producers (IFAP) was established.

Attention was devoted to world agricultural problems and the effort was undoubtedly of value.

In 1963, the first World Food Congress was held in Washington, D.C., and it decided that:

"The persistence of hunger and malnutrition is unacceptable morally and socially and incompatible with the dignity of human beings.

"That the elimination of hunger is a primary task of all men and women, who must recognize their duties as well as their rights as members of the human race."

The Washington World Food Congress urged that conferences be held every few years to review the world situation.

The Second World Food Congress was held at The Hague, the Netherlands in June, 1970. Its "final declaration" said:

"Food is the first need of every human being—a fundamental human right. But for hundreds of millions throughout the world

that need is not met and that right is denied. This is intolerable.

"Victory depends on a massive effort by the entire world community. It is not enough to think only of food. The total development of every man, woman and child is at stake."

So, we have arrived at this point in history and despite the well-intentioned efforts of the past, the food situation of millions of people has suddenly become worse. That is why another food conference was held. This time, it was at a different level, at the ministerial level with policy making officials not previously involved in food and hunger discussions taking part in the development of answers.

UNITED STATES PREPARED TO JOIN IN COMMITMENT IN FIGHT ON HUNGER; KISSINGER'S 5-POINT PLAN AIMED AT DOUBLING WORLD FOOD OUTPUT IN 25 YEARS

U.S. Secretary of State Henry Kissinger has proposed a comprehensive five-point program of co-operative world-wide action designed to more than double world food production in the next quarter century.

Addressing more than 100 national delegations on the opening day of the United Nations World Food Conference, he set as targets: increased production by both food exporters and developing countries, improved means for food distribution and financing, better food quality, and ensuring security against food emergencies. To accomplish these goals, he proposed a trio of new international co-ordinating groups: The Exporters Planning Group, the Food Production and Investment Coordinating Group, and the Reserves Coordinating Group. He spelled out increased levels of U.S. support for these initiatives.

Secretary Kissinger prefaced his specific proposals with the warning that "now there are fundamental questions about our capacity to meet even our most basic needs. We must act now and we must act together to regain control over our shared destiny."

Secretary Kissinger told delegates that he had been instructed by President Ford to declare that his country regarded "our good fortune and strength in the field of food as a global trust." The United States would make a major effort to match its capacity to the challenge.

"All nations," said Dr. Kissinger, "are linked to a single economic system. Pre-occupation with narrow advantage is foredoomed . . . bound to lead to sterile confrontations. Food has become a central element of the international economy."

Dr. Kissinger believed that major exporting nations must rapidly expand their potential and seek to ensure dependable long-term growth of their supplies "unless we are to doom the world to chronic famine."

He said that the United States was prepared to join with other major exporters "in a common commitment" to raise production to make the necessary investment, and to begin rebuilding reserves. Immediately after the Conference, he said, the United States proposed to convene a group of major exporters, which he described as an "Export Planning Group" to shape a concrete program to achieve . . . mid-1980's. As a result, an expanded flow of food aid would be necessary. While re-affirming the U.S. intention to increase its food aid contribution during the current fiscal year, Dr. Kissinger declared that the oil exporting nations have "a special responsibility in this regard."

"Many of them," he said, "have income far in excess of that needed to balance their international payments or to finance their economic development. The continuing massive transfer of wealth and the resulting impetus to worldwide inflation have shattered the ability of the developing countries to purchase food, fertilizer and other goods."

For these reasons, said Dr. Kissinger, the United States recommends that the tradi-

tional donors and the new financial powers participating in a Coordinating Group for Food Production and Investment might form a sub-committee on food financing to negotiate what minimum quantity of food they would be prepared to finance for transfer to food-deficit countries over the next three years.

Acknowledging that even these measures might not be sufficient in the longer term, especially if estimates of the 1985 food gap proved too conservative, Dr. Kissinger proposed that the Development Committee, recently set by the Governors of the World Bank and International Monetary Fund, should undertake an urgent study of whether existing sources of financing will meet expected import requirements of the developing countries. "If these sources are not sufficient," he said, "the means must be found to supplement them."

Another proposal was for a Global Nutrition Surveillance System to be established by the World Health Organization, the Food and Agriculture Organization and UNICEF.

MIDWEST SENATORS STEP INTO U.S. LEADERSHIP VACUUM AT WORLD CONFERENCE

Several Americans appalled by the lack of positive moral leadership in the U.S. delegation to the World Food Conference, some American non-governmental participants, were about to send a distress call—"Henry Kissinger Come Back," earlier this week.

It appeared that the official delegation was content to let the time run out on the meeting and to take up the tough problems of emergency food aid, development aid and trade reform in some other contexts or settings.

Thus, the food aid commitments might be left to a November 29th meeting, the trade questions to next year's GATT negotiations, and development aid pledges delayed until the world had seen the color of the OPEC money.

But, just at the low point of the U.S. image, three Midwest Senators have stepped into the breach with dramatic ideas to assure the world that America does care.

U.S. Senator Dick Clark of Iowa took the leadership in a bipartisan effort to win White House approval of an additional one million tons of aid.

U.S. Senator George McGovern, one of those who put together the World Food Programme in the early 1960's and served as the first U.S. Food for Peace Director, launched a campaign yesterday to persuade nations to divert 10 per cent of their military and defense spending into useful humanitarian programs.

U.S. Senator Hubert Humphrey of Minnesota in an appearance yesterday before the non-governmental participants, pledged he would be relentless in his efforts to persuade the U.S. to rebuild its food reserves.

"The U.S. must take its place as one country among many—that is, to rejoin the human race," Humphrey said. "I hope the President will take the opportunity to become a world leader and reestablish the true meaning of American democracy in the hearts and minds of men."

"PAN," an unofficial conference newspaper published daily here by voluntary agencies, hailed the Humphrey initiative today, praising him for being specific where Americans have earlier been vague, and wishing that Humphrey had made the principal American statement at this conference.

"Things could have been very different," said PAN, if Humphrey had been the top spokesman for American policy.

A proposal for a 10 per cent cut in world military spending in order to make money available to deal with the food crisis, was made by Senator George McGovern yesterday.

The proposal, which follows closely USSR suggestions, was endorsed by U.S. Senators Dick Clark and Hubert Humphrey. If it is

accepted by the governments of the world, some \$20 billion would be freed for food programs.

Senator McGovern also suggested that the oil producing countries should add another \$7 billion, equal to 10 per cent of their new annual oil income.

Senator George McGovern suggested the oil money and arms-budget savings, totalling a massive \$27 billion, should be turned over each year to an International Food Authority.

"This would give us the means of ending hunger on this planet," he said.

His proposed new food authority would have seven aims:

Price protection and safeguards for farmers.

Research and development for better seeds, pesticides, planting, harvesting and storage.

Construction and distribution of fertilizer plants.

Harnessing and conserving water for rural farming and irrigation.

Developing food services.

Developing nutritional standards and education and providing special food programs for infants, mothers and old people.

Disseminating information and materials.

In a highly charged statement that won applause, Senator McGovern said it was not likely that foreign aid would be increased in the present difficult political climate.

Money would have to be found by altering priorities within the present budget.

He said that the world could not solve the problem of hunger without better stewardship over resources. For 30 years resources had been wasted on preparations for war he said.

The world had been fighting the wrong war with the wrong weapons and the wrong sense of values. The two superpowers had devoted much of their national budgets to arms spending.

Total world spending on weapons was \$200 billion a year but now hard choices had to be made about priorities.

TO MEET IMPENDING SPREAD OF FAMINE, HUNGER—REBUILDING OF STOCKS, ORDERLY MANAGEMENT ARE ESSENTIAL, BOERMA DECLARES

Warning that there was real danger of food supplies becoming inadequate to meet major emergencies that could rise in months ahead, especially in developing countries with low stocks and inadequate foreign exchange, Dr. Boerma proposed to the Conference that the main grain-exporting countries should set aside sufficient quantities to meet potential needs of the hardest-hit countries.

He expressed the hope that international arrangements could be made during the Conference for orderly management of available cereal supplies and for financing urgent imports where necessary.

Dr. Boerma also appealed for further commitments by individual governments to support the FAO International Fertilizer Supply Scheme established last July. He underlined the need for international co-ordination of investment "to even out the fertilizer cycle."

"The world needs new fertilizer capacity on a large scale," he said, "but it also needs to avoid the disastrous swings from shortage to surplus and back again to shortage which are the root of our present difficulties."

Dr. Boerma called for the Conference to build up a world food policy on the basis of work already done by FAO, its sister agencies, and the Preparatory Committee of the Conference.

Such a policy, including nutrition, he said, should be an integral part of a world development policy, which he believed would grow out of the work already done or underway on the Second Development Decade and the New International Economic Order espoused by the United Nations Special General Assembly

on Raw Materials and Development last spring.

There was general agreement, Dr. Boerma said, that the main element of a world food policy must be a massive drive for increased production in developing countries. However, such efforts would have to be complemented by vastly strengthened measures for world food security. Dr. Boerma appealed to the Conference to give its collective support to his proposal for an International Undertaking on World Food Security.

On food aid, Dr. Boerma called for a firm commitment to provide at least 10 million tons of grain a year, a substantial part of which should be channelled through the World Food Program in order to complement bilateral action and to ensure equitable distribution.

Referring to institutional arrangements for follow-up action Dr. Boerma said he was confident that both FRO's governing bodies and its Secretariat would welcome "Any evolution that permits the Organization as a whole to respond more strongly and effectively to the needs of our time."

"FAO," he said, "is a dynamic and not a static organization."

WORRY MORE ABOUT PRODUCTION, THAN ABOUT DISTRIBUTION, BUTZ ADVISES WORLD SESSION

The number one responsibility of the World Food Conference is to move the world to higher levels of food production, Secretary of Agriculture Earl L. Butz said.

"We're here to talk about what to do with more food, not less food," he said.

"Even in this year of short supplies, and budget restraints, the United States expects that total programming under its Public Law 480 (Food for Peace) program will exceed the value level of last year," Butz said.

As to food reserves, Mr. Butz cautioned that "the best assurance of food security is increased production. We cannot conjure a reserve out of something we don't have. To look away a part of current short food supplies in order that the future might be more secure would call for less consumption this year, higher food prices, and more inflation."

The United States thus favors an internationally coordinated but nationally held system of food reserves, he said.

"We will cooperate in reasonable international efforts to sustain food reserves of a magnitude that would perpetually depress prices, destroy farmer incentives, mask the deficiencies in national production efforts, or substitute government subsidies for commercial trade," he added.

If a food reserve system is to succeed, Mr. Butz said, "it requires a free exchange of adequate production, stocks, and trade information. In fact, such an exchange is essential to the whole objective of improved food security in the world."

Citing another aspect of the agricultural information gap, the U.S. Secretary of Agriculture said: "We must improve our methods of forecasting world crop yields, measuring global harvest, and monitoring national food needs and utilization. The United States stands ready to make such information readily available, and to share freely the techniques of information gathering and forecasting."

MUST HAVE MONITORING SYSTEM TO PREVENT DRAFT INTO NEW FOOD CRISIS, SAYS WALDHEIM

One of the most important results which could emerge from the World Food Conference would be the creation of an international monitoring procedure, UN Secretary-General Kurt Waldheim said in his address to the opening session.

Waldheim called for a coherent, efficient and equitable global strategy.

"We have the collective means through the

UN, to do this," he said. "And I believe that we now have the political will to do it."

Waldheim listed these essential steps:

A key element in our mid-term and long-term strategies must be to increase food production in the developing countries. To do this will require imaginative political leadership, and the decision to place agriculture as a major national priority. This will require greater investments in all aspects of food production, including credit facilities for small farmers, better marketing arrangements, and policies which provide the greatest incentives to food producers.

Development assistance for agriculture, now running at \$1.5 billion per annum must rise to at least \$5 billion per annum over the next five years.

There must be a substantial increase in the production of fertilizers and pesticides at reasonable prices.

The existing network of nine International Agriculture Research Centers must be consolidated financially, and be placed on a long-term, secure financial basis, and be supported by greatly expanded regional and national programmes.

The United Nations family of organizations must be actively involved in meeting these new challenges and themselves may have to alter their priorities and programmes. It is essential to build up world food reserves, both to stabilize price and to provide emergency relief in particular cases.

International trade policies that offer more stable markets for foodstuffs, thereby assisting those developing countries who are dependent upon them for the bulk of their export earnings, must be established.

LET US NOT BE PRISONERS OF THE PAST, BUT SERVANTS OF FUTURE, MAREI URGES—CRUCIAL QUESTION CONFRONTING THE CONFERENCE: CAN WE AVERT DISASTER OF STARVATION AROUND WORLD

All countries must share the responsibility of tackling the world food crisis, Sayed A. Marei, director-general of the U.N. World Food Conference, said in his keynote address.

Marei, once a farmer himself in his native Egypt, before becoming agricultural minister, said the basic question confronting the history-making meeting was whether man's capacity to feed himself could be assured and the disaster of starvation be averted.

The director-general, who will return to Egypt to become president of its parliament after the conference, made these specific observations on goals of the session:

FOOD PRODUCTION

The need for an increased flow of resources to the developing countries for this purpose had been emphasized by the Preparatory Committee. "Many of these countries are now in a serious economic crisis which not only threatens their future but the future of the world as a whole."

FOOD AID

It was unacceptable that food aid should be used as an instrument of foreign policy. "The most crying need of the hour is to depoliticize food aid and to rehumanize it."

On the other hand, it should not be regarded as a charitable handout but as aid for development.

FOLLOW-UP

There must be an effective follow-up to the conference resolutions, "otherwise our efforts would be in vain and such resolutions meaningless." The Third Preparatory Committee had recognized the need for an overall, high-level mechanism and this, given specific functions, should lead the U.N.'s efforts in this field.

A two-fold and fundamental change was required in stagnant rural economies: a far greater investment in the development of resources and the adoption of appropriate

technologies. Also, he added, "we need to mobilize the human resources which the developing countries have in abundance. It is only thus that a present liability can become a future asset."

The Third World had to adopt the policies necessary for a major increase in food production. And as for the advanced nations: "The current difficulties facing the rich countries cannot be ignored, but the rich are still very rich and hold the key to many doors that can be unlocked."

Marei called for the "depoliticizing of food aid" and the "humanizing of it."

"We have arrived at a new watershed of history. The future of our species depends upon which road we take from here. Let us resolve not to be prisoners of the past but to be servants of the future," he concluded.

SHOULD DIVERT PART OF ARMS SPENDING TO DEVELOPMENT AID, HE RECOMMENDS—WORLD HAS NOT REACHED LIMITS OF FOOD PRODUCTION, RUSSIAN SPOKESMAN INSISTS

Since only half of the world's arable land is now in food production, the world has not by any means reached the limits of its productive capacity, Nicholas Rodionov, Vice Minister of Foreign Affairs of Soviet Russia said.

"There should be no reason for pessimism," he said. "The world's land resources could support a population of 30 to 40 billion."

Rodionov said the solution of the current world food crisis is dependent on peace and security and on specific measures relating to disarmament. Referring to more than \$250,000 million a year spent on armaments, Mr. Rodionov said "this undermines any confidence nations could have in each other."

He suggested that monies saved from a reduction in arms spending of 10 per cent, by members of the UN Security Council, as is now proposed in a UN General Assembly resolution, could be applied to agricultural development in poorer countries.

The Soviet delegate stressed that an adequate food supply could not be achieved without "radical changes in agrarian relationships."

"The acute need for agrarian reform is now recognized," Mr. Rodionov declared, "but it is not always implemented . . . The land should go to those who cultivate it."

Mr. Rodionov reported that his government was spending 30,000 million rubles to develop new agricultural land in the Soviet Union's so-called "non-black" soil zone.

He expressed the conviction that the world had not yet reached its limits of productivity and that there was no reason for pessimism.

"The world has enough arable land to feed 30 billion to 40 billion people," he said. To attribute the food shortage to a population explosion "appears to be an intentional attempt to veil the real causes which are in the economic and political fields."

Mr. Rodionov cited some 250 aid projects which his government was supporting in agriculture and related industries in developing countries and said that the Soviet Union would continue to help developing countries in increasing food production in the future.

He suggested that efforts to increase food production "should lean heavily on regional and subregional levels of cooperation."

CANADA PLEDGES MILLION TONS OF FOOD AID

Canada, speaking through Allan J. McEachen, secretary of state for external affairs, accepted the minimum target of 10 million tons of food grain a year as food aid and committed itself to supplying an average of one million tons each year for three years.

Canada also pledged the immediate allocation of fifty million dollars in development

assistance to help relieve the acute distress in the world.

If world food security is to become a reality, it will require assurances to producers of "stable expectations of a financial return."

Canada will continue to support in the GATT negotiations a general liberalization of trade in food products, emphasizing that this will best come through an international grains arrangement. He noted that Canada has endorsed a grains undertaking.

McEachen said that "hunger must be tackled today at every level—at the family, village, province, country, region as well as global level for no unit of society bears a greater responsibility than others."

AUSTRALIA BOOSTS WORLD FOOD SECURITY RESERVE PROPOSAL

Senator K. S. Wriedt, minister of agriculture for Australia, pledged that his country would cooperate and contribute to a "new strategy designed to rid the world of hunger and malnutrition," both at this conference and in all the actions which flow from it.

Australia fully endorses the emphasis being placed on the expansion of aid to stimulate food production in the developing nations, and specifically the Sri Lanka proposal for a world fertilizer fund.

Wriedt said that Australia places high importance upon a world food reserve, despite the complexities and difficulties involved.

"We see it as imperative that ways be found of providing for the world some security cover for its food supplies," Wriedt continued.

A world food security proposal should include an improved food information and early warning system, an international system of national food reserves, and expanded and better coordinated flows of food aid, he indicated.

He said that Australia has not waited for the holding of the conference to do what it can. With Canada, he said, Australia has accepted its proportionate share of a ten million ton target for world food aid.

ANTI-FAMINE PLAN DEPENDS ON FARMERS, MUNRO CONTENDS

Many of the proposals to improve world agricultural production embodied in the World Food Conference "action plan" have tentatively received the support of international farm producers' organization leader Mr. Charles Munro. President of the International Federation of Agricultural Producers, Mr. Munro told the plenary session of the Rome conference that the main points of the action programme were in line with long-held IFAP policies.

"The proposals on world food security—the operation of grain stocks for emergency use—bear an almost uncanny resemblance in broad outline to proposals of IFAP published in December 1972," said Mr. Munro at the November 8 plenary session.

"The main difference however is that we are convinced that food buffer stocks can only be operated effectively within international marketing agreements."

Leaders of farm cooperatives and other producer organizations of the IFAP, from over 50 countries emphasized Mr. Munro, had long ago worked out the need for buffer stocks of food and commodity trading agreements which would guarantee supplies to consumers, support producers' incomes and help fight inflation. The IFAP also long ago decided that the other main points of the action programme—establishment of an international food information system and the stepping up of aid to local food producers in developing countries—were essential to solution of the world food problem.

"The leaders of the world's farmers have not suddenly discovered that there is a world food problem," Mr. Munro emphasized. "Nor

have we suddenly become aware that more attention needs to be given to the rural sector in developing countries or that a clearer perception of the place and role of agriculture in the national economy is an essential element in a rational food policy."

The IFAP, said Mr. Munro, has over the years put forward many constructive policies to deal with nearly every item on the Rome conference agenda.

The IFAP President pointed out that though agricultural producers throughout the world—the Federation includes as many farmer organizations in developing countries as in developed countries—have managed to agree on the need for these policies, there has as yet been no similar agreement among governments.

"Agricultural producers, who have managed to agree on consistent policies on world food production and the management of international food supplies since they first began to collaborate 30 years ago, are distressed at the almost total lack of parallel progress among governments," Mr. Munro told the Conference.

Commodity market agreements including an international stockpile system are vital for the consumer in the poor countries of the world and are the only way of achieving a balance between demand and supply.

"When the prices of essential foodstuffs rise beyond the reach of the purchasing power of the poor and needy—including poor countries in terms of foreign exchange," argued Mr. Munro, "this creates as great an emergency as earthquakes, or droughts, or civil strife."

The result of the continued lack of any international policy of food supply management will be that the most needy will be deprived to the point of starving to death, while the less needy and the rich will always be able to satisfy their appetites. No amount of emergency food aid can be a substitute for better management of the world's food resources.

Although cereal producers were pleased with current levels of cereal prices, stated Mr. Munro, most would prefer more security and stability to the recent cycles of "bust and boom."

"The world's farmers are ready to follow the lead which we hope this Conference will give and pledge their support and advice, as they have done already many times in the past, in the crusade for a decent life to all the peoples of the United Nations."

Earlier at a press conference, Munro had charged that there has been a complete lack of recognition of the importance of farmers in solving the world food problem in the organization of the World Food Conference.

The IFAP view is that too much importance is given to the views of politicians, civil servants, agricultural researchers, economists, big business, and other "experts" and too little to the views of farmers.

"It is not politicians, or researchers or economists, or professors who produce food but only farmers," said the IFAP President.

"It is the decisions of the world's farmers and the farmers alone which will affect supplies of food in the future," said Mr. Munro.

ONLY A NEW ECONOMIC ORDER WILL ENABLE IMPOVERISHED NATIONS TO DEVELOP

The food problems of the developing countries are the result of plunder and control by the superpowers, Hao Shung-Shih, vice minister of agriculture and forestry of the People's Republic of China, declared and the remedy is the establishment of a new economic order.

"Activities of the superpowers have enabled them to make superprofits and prevent the developing countries from developing their own economic potential," he said.

"Then they use the Malthusian theory to

blame the poor countries' problems on population—this is putting the blame on the victim."

The Chinese official urged the listeners to reject such "absurdities."

"The first thing to do is to redirect the plunder, colonialism and control, to establish a new economic order with self-sufficiency as the goal," he declared.

He charged that one of the superpowers, allegedly the U.S., over the past years has dumped vast quantities of food into the developing countries, discouraging their agricultural efforts and making them dependent.

The Chinese Vice-Minister said that China now had ensured its supply of the basic means of subsistence, stable food prices and adequate food for everyone. This was unprecedented in Chinese history and proved that "revolution plus production can solve the problem of feeding the population."

The main purpose of China's food imports was to change some food varieties and China's food imports and her food exports in the past three years had been about equal in value. "We have never engaged in any speculation in food," he declared.

"What we have achieved now is only a preliminary solution to the problem of feeding the Chinese people. Our contribution to solving the world food problem is yet very small. It is our hope that, along with the development of our industry and agriculture, we shall be able gradually to change this state of affairs."

On issues of trade, Mr. Chung-Shih declared that China supported the "reasonable demand" of the developing countries for improved trade terms, removal of the developed countries' tariff barriers, expansion of sales markets and the fixing of fair prices. China also supported the transfer of agricultural technology from developed countries but it should be "practical, effective, economical and convenient for use."

On food aid, the developed countries should shoulder the main responsibility, he said, but any aid "must be based on strict respect for the sovereignty of the recipient and must not be accompanied by any conditions or the extortion of any special privileges or excessive profits." His country supported "the full right of the developing countries . . . to take part in all decision-making on food."

FOOD AID MUST NOT BE USED AS WEAPON, EGYPTIAN CAUTIONS

The Minister of Agriculture and Land Reclamation of Egypt, Dr. M. A. Abdel Akher, praised the Conference secretariat for speaking "boldly and clearly, with practical solutions to the problem." He supported generally the proposals for world food security, increased food production in developing countries, the FAO scheme for aiding the developing countries in fertilizer and pesticide supply and production and plans for intensified agricultural research and development of land and water resources.

But, he said, "the momentum which has led to the holding of this conference will be lost, probably for ever, if the world does not have the machinery by which it can monitor and follow up the findings reached by the conference."

The question of food aid, he said, was of "paramount importance" to developing countries and should be set at the level of 10 to 15 million tons of grain annually. But such aid should not be used as an "economic weapon"—a "violation of the humanitarian and international concept" of aid.

He urged support for secretariat proposals to increase the level of external aid to developing countries' agriculture from \$1.5 billion annually to \$5 billion.

To monitor the use of this aid flow he proposed a new commission with representatives of all international agencies concerned

with aid and trade together with representatives of some developed countries, "developing countries whose economy is basically agricultural and financially able countries."

WORLD CAN NO LONGER CULTIVATE LUXURY SURROUNDED BY POVERTY, ECHEVERRIA WARNS

In an impassioned address to the conference, President Luis Echeverria of Mexico called for a solidarity of purpose to avert tragedy for humanity.

"We are living through a decisive moment," President Echeverria said. "This period is not limited simply by the tragic frontier between affluence and poverty. The destiny of mankind is at stake."

The present chaotic condition of markets, prices and raw materials could not be attributed to the Third World. It had been determined and brought about by the inability of the great industrial nations to "submit their production model to a system of international solidarity, shared development and interdependence based on equity and justice."

Underdevelopment, like inflation, was the specific result of a socio-economic and political degradation that affects numerous aspects of global affairs. Third World countries had exported at "starvation prices" their products to make the industries of the rich nations profitable. Devaluations and protectionist mechanisms by the United States and the European Common Market had ruined or impeded the development of the world's agricultural societies.

Mexico had proposed a World Food and Agricultural Research Bank and a World Food Plan to designate crop areas, make collective action possible, establish bases for regulating use of fertilizers, seeds and water and guide agricultural education toward new crops and techniques of protein development.

The Mexican president spoke of the irrationality of the balance between the dominant urban areas and the peripheral agricultural areas. This contributed to the "intolerable panorama of poverty" stemming principally from "those who foster waste and those who cultivate luxury surrounded by poverty."

"Unfortunately, this also occurs specifically within the area of certain oligarchies in Third World countries."

Mexico called for governments regaining the initiative in international dealings from transitional corporations and assuming responsibility for government-to-government purchasing to eliminate intermediaries.

There was need for a critical awareness that the breakdown of a civilization could not be mended by a piecemeal approach to individual problems which were, in fact, integrated and homologous symptoms of a world crisis within the system as a whole. It was still possible, however, for the world to react effectively to problems that have become permanent rather than transitory dilemmas.

WHAT WENT WRONG WITH DEVELOPMENT STRATEGY?—OUR NATIONAL PRIORITIES, SAYS ROMULO

Making a rigorous self-examination of problems and handicaps within the developing countries, General Carlos P. Romulo, secretary of foreign affairs of the Republic of the Philippines, declared that the industrial countries do not understand since "they have been rich so long they have forgotten what it is like to be poor."

"In their national experience, there is no memory of a time when a peasant's wealth and security were measured by the number of his children," he explained.

"If they believe that it is all our own fault, that we should have more to eat if we had less to feed, such an attitude should be recognized as ignorance of social and historical realities," he contended.

Asking the developing countries' representatives, "what went wrong—where did we take the wrong turning?" Romulo said "there must be something terribly and disastrously wrong with our objectives and priorities which after 25 or even 30 years of independence and development have led to this sorry pass—this crisis of world hunger."

"What went wrong as we were driven by our desire to develop our own economies was our understanding and appreciation of priorities and the economic, social and political realities," he said.

While the Philippines have sought industrialization, he said, "there is no substitute for food. You can have as many factories as you want, mills, markets, gold and oil, but if your people do not have enough to eat, then you are in deep trouble."

"It is no use, it is indeed shameful and degrading" to wait for the developed countries to come to the rescue every time "we come to the brink of starvation," he said. Of course, when millions were faced with misery, offers of assistance must be welcomed, as demonstrations of human solidarity. But "we are not helpless—we must help ourselves," he said.

He described self-help efforts of the Philippines and the program of its "New Society" which was anchored on land reform, easy credits for farmers, extension of technology, financing, development of infra-structure and irrigation systems, market supports and nutrition projects.

"However, we are not out of the woods yet," he added, "a typhoon, like the one that devastated a principal food growing region of my country only a few months ago, can wreak havoc on the best laid plans."

"A thought has just occurred to me—which, I must confess, is rather unusual. We are, after all, meeting in Rome, the city of the Popes. As those of you who are Roman Catholics know, when a Pope dies, and a new successor of Saint Peter must be chosen, the cardinal-electors are confined in rather uncomfortable quarters and given less and less to eat and drink with each passing day to compel them to arrive at a quick decision. Now, why don't we adopt this Vatican tradition? Let us agree to be confined in this hall until we can reach decisions on how to alleviate famine in the world and guard against its recurrence in the future. In the meantime we would be fed only the average daily ration of an Asian or an African peasant. I saw from an English language Roman newspaper two days ago that the restaurant here was preparing two tons of pasta and several hundred kilos of meat to feed delegates. There must be a lesson for us in this somewhere. Let us be given to eat every day of our confinement only what Asian and African peasants eat. Otherwise—and this is an even more radical proposal—let us just eat our own words. I am sure this will speed up the proceedings of this conference," Romulo said.

"But I should like to appeal to the representatives, to my colleagues, from other developing countries to consider where we may have gone wrong. What has happened to us? Why are our people starving? What can we do about it?" he asked.

"I offer this answer, for what it may be worth, to my colleagues from the developing countries. Quite simply, it seems to me, we must learn to use our own resources."

"Let us look to our own resources. 'The resources that all of us in the developing countries have.'"

"Land. Our own land. 'And water. Our own water. 'And above all, our people. Our own people. Ourselves. And the will of the people, what we are now wont to call political will."

"I can speak only for my own country, and perhaps in a larger sense for Southeast Asia; I am not familiar with social structures in other parts of the world," he continued.

"But I think I can say that in the Philippines and Southeast Asia, our principal resource is the people."

"It is our people, not machines as in advanced technological societies, who are important, who are essential. It is the people whom we must enlist in the fight for survival," he insisted.

400,000 TONS OF GRAIN NEEDED IN BANGLADESH BETWEEN NOW AND JANUARY

Spokesmen for Bangladesh have indicated that about 40 shiploads or about 400,000 tons of grain are needed between now and January to avert starvation.

We are living the food crisis every day in our country, Abdus Samad Azad, minister for agriculture in Bangladesh, declared to the conference.

"Newly emerged from colonial exploitation and political subjugation, we find ourselves confronted with equally monstrous shortages of food and shelter," Azad said.

He described himself as gratified to note that the world has come to realize the enormity of the problem and that both the haves and have-nots have gotten together in a collective search for the solutions of this problem now threatening the survival of millions of human beings.

Azad acknowledged that Bangladesh has already received valuable assistance, but termed it insufficient because "the needs are so wide-ranging, urgent and critical."

He endorsed the measures being considered by the conference for a world food security system and an international agricultural development of fertilizer production.

FOOD SHORT INDIA URGES CREATION OF WORLD FOOD COUNCIL

India favors establishment of a "Food Security Council" to oversee world food policy, with powers comparable to the UN Security Council, India's minister of agriculture and irrigation, announced.

Dr. Jagjivan Ram said the Boerma plan for a world food security system deserves full support.

Dr. Ram said that the developing countries have been damaged by distortion of their agriculture under past colonial rule and later by trade and tariff policies designed to deprive them of proper income through their exports.

Run-away inflation has aggravated the difficulties of the poor countries even further, he said. "This has explosive social portents which the world community can ignore only at its peril."

"Developed nations have a duty to help and whatever is done should not be regarded as charity, but as deferred compensation for what has been done in the past," he insisted.

DELAWARE—SMALL, BUT IMPRESSIVE

Mr. BIDEN. Mr. President, like all Senators in this Chamber, I am unabashedly proud of my home State. I was, therefore, delighted when Fortune magazine, in its November issue, included a complete section devoted exclusively to the attributes of the State of Delaware.

Although small in size, Delaware has been able to achieve an atmosphere of pleasant living for its citizens which I believe to be unique. It is the proper blend of old and new, city and country, economic growth without wanton destruction of natural surroundings.

As one portion of the article states: Delaware today is a state on the move—welcoming new industrial development but at the same time determined to preserve the quality of life characteristic of the past.

This balance allows northern Delaware, with its rolling hills, and southern Delaware, with its farms and beaches, to be a haven in the megalopolis of the East. At the same time Wilmington, the State's major city, is a direct link with the largest commercial and industrial centers of the country.

In recent years Delaware has grown considerably as more and more people discover its outstanding qualities. The Fortune article illustrates very well the reasons why both individuals and businesses have come to regard Delaware as an excellent place to call home. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DELAWARE

Little Delaware—49th in size among the states, 47th in population—has always played a mighty part in building the nation's prosperity. The American industrial age began in Delaware when her millers harnessed the swift-flowing Brandywine to grind their grain. Delaware earned her title as the First State by being first to ratify the Constitution. Then Eleuthère Irénée du Pont came from France to build his powder works and laid the foundation for the great industry that made Wilmington the chemical capital of the world. It was Delaware, too, that first legislated modern corporation laws—now so widely imitated—that led 346 of the thousand largest companies in the U.S. to incorporate here. Today, as yesterday, Delaware welcomes new industry and maintains an atmosphere in which business can thrive and grow. In the following pages, Delaware invites businessmen to consider the opportunities that the state offers—a good place to work and live at the hub of the 70,000,000 person megalopolis with unparalleled road, rail, sea, and air connections to serve the world's richest market.

Delaware today is a state on the move—welcoming new industrial development but at the same time determined to preserve the quality of life characteristic of the past. Though they may differ about details, Delaware citizens see no contradictions in these two goals and look to the future to see both realized.

An important step in this direction was taken this year when Governor Sherman W. Tribbitt appointed a Delaware Tomorrow Commission, representative of all segments of the state to review the state's policy and devise a strategy for future economic development.

Wilmington, under its 32-year-old Mayor Thomas C. Maloney, is already moving toward its goal: the renovation and re-invigoration of the city. Ground has already been broken for a new \$23 million city center, new shopping malls are under construction, and the city's famous landmark, the opera house, is being restored as a cultural center. For investors interested in the development of new and old commercial properties, Wilmington is offering attractive tax abatements.

Meanwhile Delaware invites corporate executives to investigate the advantages that the state offers which have always made Delaware a good place to do business without the help of subsidies or special incentives.

First, of course, is Delaware's strategic location. A 350-mile circle centered on Wilmington includes all of the major population centers from Boston, Massachusetts to Raleigh, North Carolina and as far west as Cleveland, Ohio. The state's network of fine roads integrated with the national super highway system makes possible overnight delivery from any point in the state.

Equally good rail freight connections are available via the Penn-Central, Baltimore & Ohio, and Reading railroad systems. For the busy executive, Washington is one hour and New York just two hours by the Amtrak Metroliners.

Consider, too, the superb facilities offered by the port of Wilmington, located at the mouth of the Christina River as its confluence with the Delaware. This year-round fresh water harbor is only 70 miles from the Atlantic sea lanes; the deep water channel of Delaware Bay and the 40-foot low water depth of the port make it available to the largest ocean carriers. The port has long served Delaware industries; it is also an important center for fruits and frozen meats. This year it acquired an important new client when Fiat of Italy chose to make it the distribution center for the Atlantic seaboard; it is estimated that 52 thousand vehicles will be imported this year. The Fiats are driven ashore from freighters and fitted at the dockside with extra equipment for delivery to dealers. The automobile trade flows in a different direction as Chrysler trucks and cars assembled in Delaware are shipped overseas. The port is equipped to handle an extraordinary range of imports and exports. Last year it was chosen as embarkation point for the shipment of four 105-ton locomotives destined for Africa because of the 110-ton lifting capacity of its dockside crane.

Delaware is close to 2 major airports. Wilmington is nearer to Philadelphia's International Airport than most metropolitan centers are to their airports. Baltimore's Friendship Airport is equally convenient to southern Delaware. The Dover Air Force Base is the largest military freight airport in the nation.

The Greater Wilmington Airport, operated by New Castle County, has runways capable of serving all but the largest jumbo jets; it serves an increasing traffic in private aircraft and air freight. It offers excellent possibilities for expansion in freight and charter operations. Perhaps even more important are the attractive sites available for air related industries; the Boeing company has recently moved into the Greater Wilmington Airport.

Despite the fact that Delaware has long been a major industrial center, such is the balance between city and countryside that land for new industry continues to be available at moderate prices. New Castle County, which is traditionally the site of industry, presently lists for sale more than 3830 acres zoned industrial.

Kent County, which includes the capital, Dover, was and still is primarily agricultural; it is now increasingly sought out by new industry. Within the past year the PPG Industries Inc., after surveying sites in other states and making a checklist of the advantages offered by Delaware, chose a location near Dover and has under construction a multi-million dollar factory.

Sussex, Delaware's ocean-front county, has experienced enormous development in the past few years and is now the center of the tourist and recreation industry, now second only to manufacturing in economic importance. Fenwick, Bethany, and Rehoboth Beaches are sometimes called "the nation's summer capital" because of the influx of government officials from Washington.

While not widely publicized, Delaware since 1961 has offered assistance to new industry through an increasingly liberalized industrial revenue bond program. This financing is available for land acquisition, construction, and expansion of existing facilities. More than \$124,000,000 has been made available to 39 companies.

Delaware does not offer new industries tax incentives, but the state believes its corporation taxes are moderate and comparable or

better than neighboring states. Unlike most states, Delaware has neither a sales nor a use tax. The standard corporation rate is 7.2 percent and the state does not tax personal property, goods in the process of manufacturing, inventories, raw materials, or any processing equipment. The real estate taxes vary from municipality to municipality, but a prospective homeowner may be interested in this example: in the town of Greenville on the outskirts of Wilmington, one of the most desirable residential areas in the state, an \$80,000 home would be taxed at 70% of its fair market value at the rate of \$6.95 per thousand. To that would be added a school tax of \$12.87 per thousand for a total of \$1,110. In other less opulent areas the taxes would be much lower.

Yes, Delaware does have a personal income tax; in the \$20,000 to \$100,000 bracket it begins at 7.2% and rises to 12.9%; the top bracket—over \$100,000 a year—is taxed at 19.8%. Significant to the taxpayer is, of course, the fact that state taxes are deductible from the federal tax.

Ever since a Virginia sea captain was blown off course in 1609 and discovered a strange bay that he named after his colony's governor, Lord De La Warr, newcomers have found a good living in Delaware. The Dutch were the first settlers, then a tiny band of Swedes who built a church that still stands—the oldest Protestant house of worship in America. When the British took over by force of arms, government was handed over to William Penn, who annexed what he called "the lower colonies" to his own new colony.

Then in 1776 "the lower colonies" declared their independence of Pennsylvania and the British Crown and raised a regiment of 4,000 that fought in every important revolutionary battle from Long Island to Yorktown. Delaware was in the forefront of the states pressing for "a more perfect union" and was first to ratify the new constitution.

"The first state" was already playing an economic role out of all proportion to its size even before ratification of the Constitution; in 1735 Oliver Evans of Newport, Delaware had revolutionized the milling industry with his automatic grinding machinery and the mills along the Brandywine were shipping 300,000 bushels of flour—an astounding production at that time. The climate of industry along the Brandywine seemed to encourage expansion and innovation; soon after du Pont arrived from France to build his powder works the first paper machine in America was erected nearby. Post civil war the successors to Evans and du Pont have continued to contribute to the nation's prosperity by demonstrating similar gifts for innovation and enterprise.

History has given Delaware citizens a unique sense of place and of the past; it is preserved in such a unique living monument as the town of New Castle, which is virtually unchanged from the eighteenth century. Or in the capital, Dover, where new buildings to house a modern government have been constructed on a campus setting in a style consistent with an eighteenth century capital. Again it is reflected in the magnificent grounds and mansion of Winterthur and also in the Hagley Museum—devoted to Delaware's industrial past.

With a moderate climate that spares residents the rigors of a New England winter and the enervating heat of the Deep South, Delaware is ideal for work or play. Most Delaware residents live within easy commuting distance of their work. The finest recreational areas are just as readily available. Three miles from the center of Wilmington is a magnificent open, rolling countryside; ardent golfers can find there a dozen superb courses less than half an hour from the office. The state's ocean beaches are within an hour's drive from the most distant point in the state. For the outdoorsman there is

boating, clamming, fishing, and hunting. Throughout the winter months there is a professional theatre season in Wilmington with touring companies from Broadway; the Delaware Symphony Orchestra, a professional organization, gives concerts state-wide and makes its home in the Opera House now being restored. The state's proximity to New York and Philadelphia offers other opportunities for cultural enrichment. But perhaps the best testimony to the good life in Delaware is the large proportion of executives who continue to live here in retirement.

For many years Delaware's education system—public, parochial and private schools—has been among the best in the nation. It includes three four-year institutions of higher learning—the University of Delaware, Wilmington College, and Delaware State College—three junior colleges, and four industrial and vocational institutions. Special assistance is offered to new industry by the state's vocational institutions. Recently when the Sussex Carpet Co. began construction of a new factory, the Delaware Technical and Community College coincidentally began a training program to equip prospective employees with the required skills. Del-Tech has done similar work for the National Cash Register Co. The University of Delaware's division of technical services is prepared to assist businesses, small and medium-sized, that do not maintain full-time research department.

Out of this school system has developed a well educated and responsive work force; the median years of education completed by Delaware citizens over 25 is 12.1. Delaware has more college graduates percentage-wise than the nation as a whole (13.1% vs. 11.0%). Delaware is a predominantly young community; the median age is 26.9 [vs. the national median 28.1] and the racial balance has remained more or less constant showing a change of less than 0.1 percent in the past decade.

Creating a climate favorable to companies incorporating in Delaware has been a long-standing policy; this has made "a Delaware corporation" a byword around the world. More than 73,000 corporations have been chartered in the state, including more than half of the 100 largest U.S. companies.

The Delaware Legislature, which first enacted realistic laws to reflect modern trends in business practice, has also been alert to revise and liberalize the legislation in order to adjust to changing times.

Other states have now followed Delaware's example by enacting legislation modeled after this state. However, Delaware still holds a distinct advantage. "It is not only a matter of favorable corporate laws," says J. H. Tyler McConnell a lawyer with a background in industry who is now President of the Delaware Trust Company, "it is the established body of case law and precedents that support the law. Our chancery court has an envied reputation for fairness and consistency that inspires confidence."

Though perhaps less well known, Delaware's banking laws also help to maintain the favorable business climate. The banks operate state wide and are the depository for large corporate funds from outside as well as from inside the state. Executives residing outside the state may be interested in the beneficial terms for trusts that have emphasized the fiduciary role of Delaware banks. Without going into the technicalities, Delaware is a favorable site for non-residents in which to hold property in trust. The Delaware trust companies operate under "the prudent man rule," which does not restrict the fiduciary to state approved investments. The Wilmington Trust Company, the state's biggest bank, is one of the very largest in the nation in value of assets held in personal trust accounts.

From pre-colonial days, manufacturing has been a major factor in Delaware's economy; today Delaware's factories add more than a billion and a half dollars in value by their output. This enables Delaware citizens to enjoy a high standard of living; the per capita income is \$3,700 in the latest government figures (1969), eleventh highest in the U.S. and \$300 above the national median.

The great chemical industry that has always been so closely identified with Delaware no longer centers its production in this state; the large companies have now expanded world-wide. Nevertheless Delaware is still "the capital" because headquarters and research are still located in this state. Two of the largest U.S. corporations—Dupont and Hercules—remain the largest employers in the state; a foreign-owned competitor, ICI-America, also maintains its headquarters and research facility outside Wilmington.

Meanwhile Delaware's industry continues to diversify. One company, which ranks third on the Fortune 500 list in Delaware, and originated here, is NVF Inc. It traces its lineage from Thomas Marshall who first built a saw and paper mill near Yorklyn, Delaware and the headquarters remain there. His heirs followed in the state's tradition of research and innovation as they moved the company—now publicly owned and listed on the New York exchange—from lumber and paper into the production of such specialized products as vulcanized fibers, laminated and reinforced plastics, printed circuitry, correspondence and art papers, and materials handling containers. A major NVF subsidiary, Sharonsteel, is the 14th largest steel producer in the U.S.

The list of made-in-Delaware products continues to expand. General Motors and Chrysler have automobile assembly plants here; the paper industry has moved far from its traditional lines as NVF has demonstrated; the Scott Paper Co. is expanding its operations in Kent county. The National Cash Register Co. is building office machines. The astronaut space suits were made in Delaware. Other products produced here include clothing, dental supplies, batteries—and this list is far from complete.

Complementing Delaware's manufacturing is the state's flourishing agriculture with an output exceeding \$200 million a year. The prime product is broilers for the great metropolitan market; in this highly integrated industry the farmers role is primarily the feeding of the growing chickens. Everything else from incubation to the supply of feed, the icing and shipping of the parts is taken care of by the broiler companies now truly an industry in itself. The state's entire production of corn and soy beans is consumed by its poultry. But the state has long had a fine reputation as a producer of fine fruits, vegetables and fresh-market potatoes. Among the nationally-known companies to establish frozen and canned food processing plants here are General Foods, Green Giant and Libby. Incidentally, the nation's largest pickle factory is in Delaware.

Delaware is fully aware of the intense competition for new industry—from other states and many foreign countries. Yet the state believes that in its strategic location, in the quality of its labor force, and in its possibilities for good living Delaware offers advantages that will weigh heavily in its favor in the independent judgment of the corporate executive. Governor Tribbitt invites companies seriously interested in locating in Delaware to write him personally, at The Governor's Office, Dover, and pledges that the full resources of his office, and those of the Division of Economic Development under Secretary John D. Daniello, will follow through at every level: state, county, and municipal.

Delaware believes that after careful investigation the facts will persuade you to choose this state for your next investment.

THE TRADE REFORM ACT OF 1974

Mr. BAYH. Mr. President, last night the Senate voted overwhelmingly to pass the Trade Reform Act of 1974. Although I voted for final passage, my decision was not reached easily. There were many provisions in the bill which believe could have been improved, some very significantly. There were also many important areas to which the bill failed to address itself at all.

In addition, Mr. President, I was concerned about the hurried manner in which we were forced to consider this major piece of legislation. Certainly, such an important bill merits the thorough and thoughtful study of every Member of this body.

But despite my reservations, I believed that the positive aspects of the bill outweighed the negatives, and with the majority of my colleagues I voted for its passage.

The momentous economic problems that have confronted the world during the last year have underscored the need for economic cooperation with our allies and trading partners. A country cannot expect to find prosperity by addressing itself to domestic economic ills without due consideration for the fundamentally interdependent nature of the world economy.

International trade is, of course, the cornerstone of international economics and I have no doubt in my mind that American industry, technology, and labor will acquit themselves well in the international trading system if that system provides for equity and fairness. Unfortunately, in recent years we have seen a decline in international cooperation, and the United States has been subject to increased discrimination and unfair trade practices. For this reason, it is essential that we now pursue negotiations to guarantee equity in the trading system.

The Trade Reform Act authorizes the President to negotiate and enter tariff and nontariff agreements which will be fair to the United States. It provides him with the authority to take action against discrimination and unfair trade practices such as dumping and governmental subsidies of exports. It will, in short, enable the President to insist that the rules of the game are fair. And this, I believe, is essential for the economy of our Nation.

Further, if tariff barriers to U.S. goods are reduced around the world, and there is true equality in trading rules, there will be an increase in the U.S. share of world trade with consequent domestic economic growth and increased job opportunities. New trade agreements will also provide an orderly marketing mechanism for agricultural products.

It was for these very important reasons that I voted for the trade reform bill, Mr. President, but as I indicated in opening, I voted with some considerable misgivings.

Unquestionably increased imports will cause economic dislocations here at home. Though the bill provides for aid to communities, firms, and workers who are injured as a result of imports, it does not come to grips adequately with the tough

problems of economic dislocation. The aid provided is simply a payment. It could be classified as a handout or a dole, and a dole by its very nature is temporary. The bill does not provide for retraining or relocation. Nor does it address itself to the difficult question of how we can provide truly effective relief for the older worker who has spent his life in a particular industry. Can that man be retrained? Can he be expected to move to a new community to find employment for his few remaining working years?

Mr. President, these effects of liberalized trade agreements and the issues they raise deeply trouble me, and I believe that they require increased study and though I am certain that we can come up with better solutions than those provided in this bill. Fortunately, we have ample time to enact supplementary legislation to meet these problems before the impact of new trade negotiations is felt.

I was also concerned by provisions of the bill which establish generalized preferences for imports from certain developing countries. It would seem to me, Mr. President, that these provisions as presently drafted opened a large loophole for the multinational corporations, the parties which need such preference the least. I am concerned about the possibility that multinationals will relocate in underdeveloped nations to take advantage of cheap labor and then export their products back to the United States duty free. But lack of time for adequate debate kept us from exploring this area, and our only choice was to individually resolve to closely monitor these preferred imports and take such remedial action as may be necessary in the future. I am in favor of assisting the developing nations in their economic growth, but I am not in favor of exporting American jobs.

I think it would have made good sense, Mr. President, to allow Congress to approve each and every nontariff agreement on an individual basis, rather than as a package of agreements as provided for by the bill. I have little doubt that we will see a package which is mostly good, but partially defective, and find ourselves unable to do anything about those faulty provisions. Yet, again, we found that time did not permit exploration of such details.

In sum, Mr. President, the bill we passed last night was good, but far from perfect. However, I would like to emphasize that I believe the bill we passed is much more preferable to the bill that passed the House of Representatives. The Senate bill has many advantages—stronger congressional review and oversight provisions; a program for adjustment aid to communities as well as firms and workers; mandatory, rather than discretionary, import relief once certain criteria are met; and provisions to deal with dumping by multinational corporations—to name just a few.

It is essential that the Senate conferees who will be working with Members of the House on their legislation stand fast and protect the improvements this body has made in the bill. Once a compromise is reached on this matter, there will be no time for debate. There will be no time to send the agreement back to conference.

The action of the conference will for all practical purposes be final, and under these circumstances I urge our conferees not to weaken further a bill already weak in certain respects.

ORDER FOR CONSIDERATION OF H.R. 17468, MILITARY CONSTRUCTION APPROPRIATION BILL, ON MONDAY, DECEMBER 16, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately after the orders for the recognition of two Senators on Monday, the Senate proceed to the consideration of the military construction appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 9 A.M. MONDAY, DECEMBER 16, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES IN 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the action taken yesterday on Senate Joint Resolution 40 be vacated; that the bill be returned to the calendar; that third reading of the bill be vacated; that no amendments to the amendment by Mr. BUCKLEY be in order.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, in essence, what does this mean in reference to this bill?

Mr. ROBERT C. BYRD. This means that the bill would be put back on the calendar. It would be on second reading. It would be open to further amendment once it is called up, with one exception: the Buckley amendment, which was agreed to when the bill was passed yesterday, would not be affected by this action and would be fully protected, so that no amendments to the Buckley amendment would be in order.

Mr. CURTIS. Has this matter been cleared with the leadership?

Mr. ROBERT C. BYRD. It has been cleared with the leadership on the other side of the aisle.

Mr. CURTIS. And has it cleared with Mr. BUCKLEY?

Mr. ROBERT C. BYRD. Mr. BUCKLEY is fully protected in this.

Mr. CURTIS. Unless the bill fails to pass.

Mr. ROBERT C. BYRD. It is up to the leadership on the other side.

Mr. President, the Senator raises a pertinent question. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. Presi-

dent, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Brock). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I withdraw the request.

The PRESIDING OFFICER. The request is withdrawn.

ORDER FOR ADJOURNMENT TO MONDAY, DECEMBER 16, 1974, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock on Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair, with the understanding that the recess not extend beyond the hour of 4 p.m. today.

The motion was agreed to, and at 2:25 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 3:29 p.m., when called to order by the Presiding Officer (Mr. HANSEN).

AUTHORITY FOR THE COMMITTEE ON FINANCE TO HAVE UNTIL MIDNIGHT TONIGHT TO SUBMIT TWO REPORTS

Mr. LONG. Mr. President, I ask unanimous consent that the Committee on Finance have until midnight tonight to file reports on H.R. 17045 and H.R. 11706.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 421—AMENDMENT OF TARIFF SCHEDULES—CLOTURE MOTION

Mr. LONG. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER (Mr. HANSEN). The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the committee substitute for H.R. 421.

Russell B. Long, Herman E. Talmadge, Robert Dole, Claiborne Pell, Frank E. Moss, Hugh Scott, Walter F. Mondale,

Lloyd Bentsen; Bob Packwood, Wallace F. Bennett, Carl T. Curtis, Paul J. Fannin, Clifford P. Hansen, Robert P. Griffin, Robert C. Byrd, Adlai Stevenson.

H.R. 17045—THE SOCIAL SERVICES AMENDMENTS OF 1974—CLOTURE MOTION

Mr. LONG. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER (Mr. HANSEN). The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the Committee substitute amendment to H.R. 17045.

Russell B. Long, Herman E. Talmadge, Hugh Scott, Abraham Ribicoff, Mike Gravel, Frank E. Moss, Walter F. Mondale, Lloyd Bentsen;

Robert P. Griffin, Wallace F. Bennett, Carl T. Curtis, Paul J. Fannin, Clifford P. Hansen, Robert Dole, Bob Packwood, Claiborne Pell.

Mr. LONG. Mr. President, for the information of Senators and other persons interested, I think I should explain that the purpose of filing these two cloture motions is that we feel it would be derelict of this Congress to go home without passing social services legislation, either that recommended by the House or that recommended by the Senate, one version being House passed and the other being Senate passed.

The provisions that permit the States to continue as they are in the social services program expire at the end of this year, and many persons could face a loss of these very essential social services if some permanent type of legislation is not passed.

The Senator from Minnesota (Mr. MONDALE) has been extremely active in this field and, for that matter, so have all Senators, in trying to see that poor people are not adversely affected by the difference of opinions that exists among Senators as to what kind of social services legislation should be enacted.

There is no doubt about the fact that the social services should be there. It is just a matter of how should the regulations be drawn, how broad or how narrow. We have fought this battle many times, debated it many times, and we hope to resolve it in a way that would be useful to all.

But if we call the social services bill up this late in the session, with there being so many worthwhile social security proposals that have been adopted by the Senate, it stands to reason the fate of this measure could be the same as that which we feared for the trade bill, that it would be so loaded down with controversial amendments or so many of them in number that the bill would never become law.

Mr. President, we added to the social services bill a child support proposal which is favored by the administration, as I understand it, and which was also

passed without a dissenting vote here in the Senate, and after having been unanimously reported by the Senate Finance Committee. We also added a proposal which has been passed by a very large vote twice in the Senate, the so-called work bonus or the tax credit for low-income working families. We believe if a tax relief is to be given for anyone, we ought to start with those who need it the most.

That has been recommended to the Senate and to the House, both as a tax measure and also as a social security measure. Whichever way you look at it, we think it is good legislation, and the Senate has twice voted by overwhelming votes, and we would like to have the House at least consider it, and we hope very much that the House will agree to this. But I would assume that they will probably ask for a conference, and we will work out whatever would seem to be the best judgment of those available on the social services aspect because there are a number of differences between the House bill and the Senate bill.

We have then proceeded to lift from the House tax reform proposals certain measures which, so far as we could determine in the Committee on Finance, have no opposition; that is, so far as we know there is no member of the Senate Finance Committee who opposes any of these provisions, and we are not aware of any Member of the U.S. Senate who opposes any of these provisions. But we are not mindreaders. It may well be that there are one or two Senators who oppose one or two of these proposals, but we are confident that what we are recommending would have the support of the overwhelming majority of all Senators on each point.

Again, the reason why we seek to invoke cloture is that a bill of this sort can then attract so many additional amendments, some of which have not been the subject of the hearings but which have been approved at one time or another by the Senate or by the House, or amendments which have a great deal of logic to recommend them, that the bill will then be accused of being a Christmas tree bill. It may be accused of that anyhow because there are about seven amendments on it, but I think that would be rather unfair. As the floor manager of the original Christmas tree bill, I think we had about 100 amendments on that one. We would hope that these few provisions could be passed because they have merit, they are important to the economy, and we have restrained ourselves in not recommending many other very fine provisions that the House recommended in their bill.

We limited ourselves in the committee to what we believed to be a rule of unanimity. We feel that if 17 members of the Finance Committee which, I believe, I might be pardoned for having a little pride in, contains some of the best conservatives, the best liberals, the best moderates in the Senate and if we can find no one who can object to it or find no one who has any objection to it, the Senate would agree to it. But the Senate very much needs a rule of relevance, and we believe we need that rule of relevance

otherwise these proposals are not likely to become law.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBERT C. BYRD. I listened to the distinguished Senator very carefully, and he addressed his remarks only to one of the measures, the social services legislation. Am I mistaken? What was the other?

Mr. LONG. We proposed the tax amendment to be added to a tariff measure involving upholstery regulators, H.R. 421. That deals with upholstery regulators, and it is a noncontroversial bill, and we hope that the amendment will be noncontroversial.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield further?

Mr. LONG. Yes.

Mr. ROBERT C. BYRD. By introducing cloture motions today this would mean that on Tuesday next, after 1 hour of the session, the clerk will call the roll for a quorum and there would then be a vote, a rollcall vote, on the motion to invoke cloture. Is this the plan of the Senator, to have one or both measures on Tuesday next?

Mr. LONG. Well, having filed a motion to comply with the rules, it will be my thought that we would leave our fate in the hands of the very able and competent leadership of the Senator from West Virginia (Mr. ROBERT C. BYRD).

He has had great success in the last several days in moving these unanimous-consent requests back and forth and around and arranging time when the Senate can vote, and the Senate has cooperated with him, as I think it should, and I would think that while it would appear that Tuesday at 12 o'clock would be the proper time, the Senate will accept the judgment of his leadership as to whatever would be the best time to vote.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield further?

Mr. LONG. Yes.

Mr. ROBERT C. BYRD. May I ask the Chair which of the two cloture motions was offered first?

The PRESIDING OFFICER (Mr. GRIFFIN). The motion with respect to H.R. 421.

Mr. LONG. I would like to ask unanimous consent that the Chair reverse the order, because I believe the Senate, if it is going to follow this procedure, would be more likely to do so with regard to the social services proposal.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. If the Senator will yield further, without objection, I just want to be sure what the circumstances will be on next Tuesday so that I can properly alert Senators and properly arrange the program. Will the Chair identify the measure on which the first cloture vote will occur?

The PRESIDING OFFICER (Mr. GRIFFIN). The cloture vote on Tuesday, the first vote would come on the committee substitute to H.R. 17045.

Mr. ROBERT C. BYRD. 17045.

The PRESIDING OFFICER. Which is the social services bill.

Mr. ROBERT C. BYRD. Very well.

And after cloture is invoked on that measure, if cloture is invoked, the Senate then would proceed, without debate to establish a quorum and then vote on the motion to invoke cloture on the second measure, and would the Chair identify that one?

The PRESIDING OFFICER. That would be the committee substitute for H.R. 421, but if the Senator from West Virginia would permit the Chair reminds Senators that a cloture motion has already been filed on the conference report on H.R. 15977, the Export-Import Bank Amendment Act, which would come in ahead of these two.

Mr. ROBERT C. BYRD. Yes.

May I say for the information of Senators, I am advised that, as of now, it does not appear that the Senate will be voting on Tuesday on a cloture motion with respect to the Export-Import Bank conference report, but I thank the Chair for reminding us of that vote which is, as of now, scheduled.

Very well, then, as I understand it, on Tuesday next, the first cloture petition deals with the so-called social services legislation, am I correct?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. The second deals with the committee substitute for H.R. 421, am I correct?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. LONG. I thank the Senator.

Mr. MONDALE. Will the Senator yield?

Mr. LONG. Yes.

Mr. MONDALE. I would like to comment briefly, if I might, on the social services action by the committee today.

For some months, I have been working with the representatives of the National Governors Conference, the American Public Welfare Association, the AFL-CIO and UAW, representatives of the administration and Secretary of Health, Education, and Welfare, and many other groups interested in the administration of the program known as the social services program.

The result of our joint efforts was a consensus measure which I introduced in the Senate as S. 4082 and a companion measure introduced in the House and adopted by the House, which I believe to be a very strong and well-advised resolution of the many disputes and differences bearing on that program.

I would hope that in conference we might strengthen the Senate-passed version in at least four respects, to reflect the consensus reflected in S. 4082.

First, adding limits on eligibility; second, strengthening the process of State planning; third, repealing the so-called 90-10 rule which proves to be, I think, a very artificial rule with so many exemptions as to be meaningless, and substituting it with the requirement that 50 percent of the funds go to persons currently eligible for SSI, AFDC, medicaid, or their immediate families; and that we add provisions for certain prohibited activities, and establishing standards for child day care including the Federal

interagency day care requirements of 1968.

I think we have to be mindful of the fact that we have only a few days remaining in this session of this Congress and that unless we act expeditiously there is a chance that the social services regulations that we have been operating under will expire and it could be several months into the next session before we could act.

In light of that reality and the limitation of time, it seems to make sense to readopt the measure which the Senate had earlier adopted and then take that matter to conference with the House for resolution.

I think the committee in asking simply for the readoption of a measure we had already adopted this Congress dramatically, if not entirely, eliminates objections on the Senate floor, prompts its adoption, and hopefully will permit the invocation of cloture.

For that reason, although I regret that the provisions of S. 4082 were not adopted by the committee, I signed the cloture petition. I am hopeful we can move expeditiously to the adoption of the Senate Finance Committee recommended measure and go to conference for a resolution, and I would hope along the lines I have mentioned.

Mr. FANNIN. Will the Senator yield?

The PRESIDING OFFICER (Mr. HANSEN). The Senator from Arizona.

Mr. FANNIN. Mr. President, I want to pay tribute to the distinguished chairman of our Finance Committee who is so dedicated to obtain the needed legislation at this late hour and has been willing to work diligently with the members of the Finance Committee to come up with some compromise in some cases, but at all times taking into consideration the need that we have to pass legislation that will be very helpful in both our social services program, as well as in other programs that are so essential to carrying through some of the obligations we have as Members of this body.

He has been willing, and has certainly very capably taken this leadership at personal sacrifice, and I feel that he is certainly deserving of great credit for this activity.

I am very pleased that we have arrived at these conclusions that have been expressed on the floor this afternoon and I feel very confident we can go forward and accomplish some of the objectives the distinguished chairman just mentioned throughout the year. But circumstances, because of the tremendous amount of legislation he has handled, have made it very difficult to obtain the legislation at an earlier date. By his action he has simply permitted the Members of the Senate to work their will on this legislation.

Mr. LONG. I thank the distinguished Senator.

Mr. President, it has been a real pleasure and a privilege to work with the Senator from Arizona and the Senator from Wyoming, who I see in the chair at this moment, on the Senate Finance Committee.

Each of them has been most considerate of their colleagues in trying to do that which they felt in good conscience

and in the national interest they should promote.

They have gone the extra mile to permit some of us to advance our legislative suggestions and at the same time they have insisted that we follow the tradition of knowing what we are doing and that we proceed with care unless we bring to the Senate some proposal that thorough study might prove to be unwise.

I really think we are extremely fortunate in both the Democratic and Republican members of the Committee on Finance, that they will work together and try to cooperate with one another. So far as I know, no member is unreasonable in insisting that everything be his way or that we pass all his legislative suggestions or otherwise he would refuse to permit the committee to act on some measure where everyone else would agree it was a good proposal.

That is about the kind of situation we have here, Mr. President.

So far as I know, there is nothing in the tax measure we are proposing that had any particular impact in the State of Louisiana.

I know very well there will be dismay in some quarters by people who do have some interest in things in the State which I have the honor to represent, that we voted through a measure to take care of some situations where we believe almost unanimous support can be generated and we are unable to do the same thing for some measure involving them, which I am sure the Senate would be willing to do if we were in a position to act as we do in ordinary legislative session.

We are now in a situation where every day that goes by we need nearer and nearer 100 percent unanimous consent to do anything.

I said it before, and the best way I know how to explain it is that toward the end of the ballgame in a Congress, the defense has all the advantages and those who want to get something done find it more and more difficult to pass a bill that can muster a majority vote, because there are some equally sincere and dedicated people on the other side.

I thank the Senator.

ORDER OR ROLLCALL VOTE ON CLOTURE MOTION ON TRADE REFORM ACT CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if, on either next Thursday or Friday a cloture motion should be presented with respect to the trade bill conference report, a rollcall vote occur on such motion to invoke cloture on Friday after not to exceed 3 hours of debate, and the usual quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO WITHDRAW CLOTURE MOTION ON SUPPLEMENTAL AP- PROPRIATIONS CONFERENCE RE- PORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to withdraw the motion to invoke cloture on the supplemental appropriations conference report.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, after the leaders or their designees have been recognized under the standing order on Monday, Mr. Brock will be recognized for not to exceed 15 minutes, after which Mr. Griffin will be recognized for not to exceed 15 minutes, after which the Senate will proceed to take up the military construction appropriation bill.

Rollcall votes may be ordered on amendments thereto, and on passage of that bill, but if such are ordered, no votes will occur on Monday prior to the hour of 1:30 p.m.

At the hour of 12:30 p.m. on Monday, the Senate will proceed to the consideration of the surface mining conference report. There is a 30-minute time limitation on that conference report. A rollcall vote will probably be ordered on the adoption of the conference report, but such vote would not occur until after the hour of 1:30 p.m., if such vote is ordered.

At the hour of 1 p.m., the Senate will proceed to the consideration of the motion to invoke cloture on the Eximbank amendments conference report. There will be one-half hour of debate, after which, at the hour of 1:30 p.m., the Chair will ask the clerk to establish the presence of a quorum. After the establishment of a quorum has been announced, or at about 1:45 p.m., the Senate will proceed to vote on the motion to invoke cloture.

ORDER THAT ALL ROLLCALL VOTES ORDERED PRIOR TO 1 P.M. ON MONDAY FOLLOW THE VOTE ON THE MOTION TO INVOKE CLOTURE

I ask unanimous consent, Mr. President, that regardless of the outcome of

the vote on that motion to invoke cloture, any rollcall votes on amendments to the military construction bill, or the passage of that bill, or on the adoption of the surface mining conference report, or any other rollcall votes that may have been ordered prior to the hour of 1 o'clock p.m., then occur, in the sequence of their having been ordered, back to back, immediately following the vote on the motion to invoke cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. So, Mr. President, several rollcall votes could occur back to back following the vote on the motion to invoke cloture, which vote will occur at about 1:45 p.m.

ORDER FOR 10-MINUTE LIMITATION ON BACK-TO-BACK ROLLCALL VOTES ON MONDAY

I ask unanimous consent that any back-to-back votes following that initial vote on the motion to invoke cloture be 10-minute rollcalls, with the warning bell to be sounded after the first 2½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. After the disposition of those votes, what happens remains unclear at this time, because it will depend upon the outcome of the vote on the motion to invoke cloture on the Eximbank conference report. But in any event, at the hour of 3:30 p.m., under the order previously entered, the Senate will proceed to the consideration of the cargo preference conference report, under a time limitation of 1 hour.

ORDER FOR THE CONSIDERATION OF THE CARGO PREFERENCE CONFERENCE REPORT AT 3:30 P.M. MONDAY

I ask unanimous consent that that be the order, regardless of what happens on the cloture vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I further ask unanimous consent that a vote on the adoption of the cargo preference conference report occur at the expiration of the 1 hour of debate on that conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I want it understood that it is not the

intention to preclude a motion to table the cargo preference report at the close of the 1 hour of debate.

The PRESIDING OFFICER. That will be a part of the order.

Mr. ROBERT C. BYRD. And it has been agreed to?

The PRESIDING OFFICER. Without objection, it is agreed to.

ADJOURNMENT UNTIL 10 A.M.,
MONDAY, DECEMBER 16, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. on Monday next.

The motion was agreed to; and at 4 p.m. the Senate adjourned until Monday, December 16, 1974, at 10 a.m.

NOMINATION

Executive nomination received by the Senate December 14, 1974:

DEPARTMENT OF STATE

William B. Saxbe, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India vice Daniel P. Moynihan.

CONFIRMATION

Executive nominations confirmed by the Senate December 14, 1974:

DEPARTMENT OF STATE

Terence A. Todman, of the Virgin Islands, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

Sidney Weintraub, of New Jersey, to be an Assistant Administrator of the Agency for International Development.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE COAST GUARD

Coast Guard nominations beginning Earl D. Johnson, to be commander, and ending Albert C. Muccilli, to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 4, 1974.

HOUSE OF REPRESENTATIVES—Saturday, December 14, 1974

The House was not in session today. Its next meeting will be held on Monday, December 16, 1974, at 12 o'clock noon.

CONFERENCE REPORT ON H.R. 5463

Mr. HUNGATE (pursuant to an order of the House on December 13, 1974) submitted the following conference report and statement on the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

CONFERENCE REPORT (H. REPT. NO. 93-1597)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 15, 16, 17, 18, 19, 20, 30, 31, 33, 35, 39, 42, 44.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 21, 22, 23, 24, 25, 36, 37, 38, 41, 43, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: "(5) Other exceptions."

And the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

At the end of the matter proposed to be inserted by the Senate amendment insert the following:

"This rule shall not take effect until August 1, 1975, and shall be superseded by any amendment to the Federal Rules of Criminal Procedure which is inconsistent with this rule, and which takes effect after the date of the enactment of the Act establishing these Federal Rules of Evidence."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

(1) was punishable by death or imprisonment in excess of one year under the law under which he was convicted, and the court determines that the probative value of admitting this evidence outweighs its prejudicial effect to the defendant, or (2) involved

dishonesty or false statement, regardless of the punishment."

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

At the end of the matter proposed to be inserted by the Senate amendment insert the following:

"However, evidence of a conviction more than 10 years old as calculated herein, is not admissible unless the proponent gives to the adverse party sufficient advance written notice of intent to use such evidence to provide the adverse party with a fair opportunity to contest the use of such evidence."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

Strike out the period at the end of Senate amendment numbered 28 and insert in lieu thereof the following:

"and insert in lieu thereof the following: 'and was given under oath subject to the penalty of perjury at a trial, hearing, or other proceeding, or in a deposition.'"

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken by the Senate amendment, insert the following: "or".

And the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

Strike out the period at the end of the Senate amendment numbered 32, and insert in lieu thereof the following:

"and insert in lieu thereof the following: 'The term "business" as used in this paragraph includes business, institution, association, profession, occupation, and calling of every kind, whether or not conducted for profit.'"

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

At the end of the matter proposed to be inserted by the Senate amendment insert the following:

"However, a statement may not be admitted under this exception unless the proponent of it makes known to the adverse party sufficiently in advance of the trial or hearing to provide the adverse party with a fair opportunity to prepare to meet it, his intention to offer the statement and the particulars of it, including the name and address of the declarant."

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(5) Other exceptions.—A statement not specifically covered by any of the foregoing exceptions but having equivalent circumstantial guarantees of trustworthiness, if the court determines that (A) the statement is offered as evidence of a material fact; (B) the statement is more probative on the point for which it is offered than any other evidence which the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence. However, a statement may not be admitted under this exception unless the proponent of it makes known to the adverse party sufficiently

in advance of the trial or hearing to provide the adverse party with a fair opportunity to prepare to meet it, his intention to offer the statement and the particulars of it, including the name and address of the declarant."

And the Senate agree to the same.

WILLIAM L. HUNGATE,
BOB KASTENMEIER,
DON EDWARDS,
HENRY P. SMITH III,
DAVID W. DENNIS,

Managers on the Part of the House.

JAMES O. EASTLAND,
JOHN L. MCCLELLAN,
P. A. HART,
SAM J. ERVIN, Jr.,
QUENTIN BURDICK,
ROMAN L. HRUSKA,
STROM THURMOND,
HUGH L. SCOTT,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H.R. 5463) to establish rules of evidence for certain courts and proceedings, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House and Senate conferees met twice to discuss the differences in the Senate and House versions of H.R. 5463. The first meeting took place in the afternoon of Wednesday, December 11, 1974, and the second took place in the afternoon of Thursday, December 12, 1974.

The Senate made 44 amendments to the House bill, seven of which are of a technical or conforming nature. Of these seven, the Conference adopts 5, the Senate recedes from 1, and the Conference adopts one of the technical amendments with an amendment.

The more significant differences in the House and Senate versions of the bill were resolved as follows:

RULE 103. RULINGS ON EVIDENCE

The House bill contains the word "judge". The Senate amendment substitutes the word "court" in order to conform with usage elsewhere in the House bill.

The Conference adopts the Senate amendment.

RULE 301. PRESUMPTIONS IN GENERAL IN CIVIL ACTIONS AND PROCEEDINGS

The House bill provides that a presumption in civil actions and proceedings shifts to the party against whom it is directed the burden of going forward with evidence to meet or rebut it. Even though evidence contradicting the presumption is offered, a presumption is considered sufficient evidence of the presumed fact to be considered by the jury. The Senate amendment provides that a presumption shifts to the party against whom it is directed the burden of going forward with evidence to meet or rebut the presumption but it does not shift to that party the burden of persuasion on the existence of the presumed fact.

Under the Senate amendment, a presumption is sufficient to get a party past an adverse party's motion to dismiss made at the end of his case-in-chief. If the adverse party offers no evidence contradicting the presumed fact, the court will instruct the jury that if it finds the basic facts, it may presume the existence of the presumed fact. If the adverse party does offer evidence contradicting the presumed fact, the court cannot instruct the jury that it may presume the existence of the presumed fact from proof of the basic facts. The court may, however, instruct the jury that it may infer the existence of the presumed fact from proof of the basic facts.

The Conference adopts the Senate amendment.

RULE 405. METHODS OF PROVING CHARACTER

The Senate makes two language changes in the nature of conforming amendments. The Conference adopts the Senate amendments.

RULE 408. COMPROMISE AND OFFERS TO COMPROMISE

The House bill provides that evidence of admissions of liability or opinions given during compromise negotiations is not admissible, but that evidence of facts disclosed during compromise negotiations is not inadmissible by virtue of having been first disclosed in the compromise negotiations. The Senate amendment provides that evidence of conduct or statements made in compromise negotiations is not admissible. The Senate amendment also provides that the rule does not require the exclusion of any evidence otherwise discoverable merely because it is presented in the course of compromise negotiations.

The House bill was drafted to meet the objection of executive agencies that under the rule as proposed by the Supreme Court, a party could present a fact during compromise negotiations and thereby prevent an opposing party from offering evidence of that fact at trial even though such evidence was obtained from independent sources. The Senate amendment expressly precludes this result.

The Conference adopts the Senate amendment.

RULE 410. OFFER TO PLEAD GUILTY; NOLU CONTENDERE; WITHDRAWN PLEA OF GUILTY

The House bill provides that evidence of a guilty or nolo contendere plea, of an offer of either plea, or of statements made in connection with such pleas or offers of such pleas, is inadmissible in any civil or criminal action, case or proceeding against the person making such plea or offer. The Senate amendment makes the rule inapplicable to a voluntary and reliable statement made in court on the record where the statement is offered in a subsequent prosecution of the declarant for perjury or false statement.

The issues raised by Rule 410 are also raised by proposed Rule 11(e) (6) of the Federal Rules of Criminal Procedure presently pending before Congress. This proposed rule, which deals with the admissibility of pleas of guilty or nolo contendere, offers to make such pleas, and statements made in connection with such pleas, was promulgated by the Supreme Court on April 22, 1974, and in the absence of congressional action will become effective on August 1, 1975. The conferees intend to make no change in the presently-existing case law until that date, leaving the courts free to develop rules in this area on a case-by-case basis.

The Conferees further determined that the issues presented by the use of guilty and nolo contendere pleas, offers of such pleas, and statements made in connection with such pleas or offers, can be explored in greater detail during Congressional consideration of Rule 11(e) (6) of the Federal Rules of Criminal Procedure. The Conferees believe, therefore, that it is best to defer its effective date until August 1, 1975. The Conferees intend that Rule 410 would be superseded by any subsequent Federal Rule of Criminal Procedure or Act of Congress with which it is inconsistent, if the Federal Rule of Criminal Procedure or Act of Congress takes effect or becomes law after the date of the enactment of the act establishing the rules of evidence.

The conference adopts the Senate amendment with an amendment that expresses the above intentions.

RULE 501. GENERAL RULE [OF PRIVILEGE]

Rule 501 deals with the privilege of a witness not to testify. Both the House and Senate bills provide that federal privilege law

applies in criminal cases. In civil actions and proceedings, the House bill provides that state privilege law applies "to an element of a claim or defense as to which State law supplies the rule of decision." The Senate bill provides that "in civil actions and proceedings arising under 28 U.S.C. § 1332 or 28 U.S.C. § 1335, or between citizens of different States and removed under 28 U.S.C. § 1441(b) the privilege of a witness, person, government, State or political subdivision thereof is determined in accordance with State law, unless with respect to the particular claim or defense, Federal law supplies the rule of decision."

The wording of the House and Senate bills differs in the treatment of civil actions and proceedings. The rule in the House bill applies to evidence that relates to "an element of a claim or defense." If an item of proof tends to support or defeat a claim or defense, or an element of a claim or defense, and if state law supplies the rule of decision for that claim or defense, then state privilege law applies to that item of proof.

Under the provision in the House bill, therefore, state privilege law will usually apply in diversity cases. There may be diversity cases, however, where a claim or defense is based upon federal law. In such instances, federal privilege law will apply to evidence relevant to the federal claim or defense. See *Sola Electric Co. v. Jefferson Electric Co.*, 317 U.S. 173 (1942).

In nondiversity jurisdiction civil cases, federal privilege law will generally apply. In those situations where a federal court adopts or incorporates state law to fill interstices or gaps in federal statutory phrases, the court generally will apply federal privilege law. As Justice Jackson has said:

"A federal court sitting in a non-diversity case such as this does not sit as a local tribunal. In some cases it may see fit for special reasons to give the law of a particular state highly persuasive or even controlling effect, but in the last analysis its decision turns upon the law of the United States, not that of any state." *D'Oench, Duhme & Co. v. Federal Deposit Insurance Corp.*, 315 U.S. 447, 471 (1942) (Jackson, J., concurring). When a federal court chooses to absorb state law, it is applying the state law as a matter of federal common law. Thus, state law does not supply the rule of decision (even though the federal court may apply a rule derived from state decisions), and state privilege law would not apply. See *C. A. Wright, Federal Courts* 251-252 (2d ed. 1970); *Holmberg v. Armbricht*, 327 U.S. 392 (1946); *DeSylva v. Ballentine*, 351 U.S. 570, 581 (1956); 9 Wright & Miller, *Federal Rules and Procedure* § 2408.

In civil actions and proceedings, where the rule of decision as to a claim or defense or as to an element of a claim or defense is supplied by state law, the House provision requires that state privilege law apply.

The Conference adopts the House provision.

RULE 601. GENERAL RULE OF COMPETENCY

Rule 601 deals with competency of witnesses. Both the House and Senate bills provide that federal competency law applies in criminal cases. In civil actions and proceedings, the House bill provides that state competency law applies "to an element of a claim or defense as to which State law supplies the rule of decision." The Senate bill provides that "in civil actions and proceedings arising under 28 U.S.C. § 1332 or 28 U.S.C. § 1335, or between citizens of different States and removed under 28 U.S.C. § 1441(b) the competency of a witness, person, government, State or political subdivision thereof is determined in accordance with State law, unless with respect to the particular claim or defense, Federal law supplies the rule of decision."

The wording of the House and Senate bills differs in the treatment of civil actions and

proceedings. The rule in the House bill applies to evidence that relates to "an element of a claim or defense." If an item of proof tends to support or defeat a claim or defense, or an element of a claim or defense, and if state law supplies the rule of decision for that claim or defense, then state competency law applies to that item of proof.

For reasons similar to those underlying its action on Rule 501, the Conference adopts the House provision.

RULE 606. COMPETENCY OF JUROR AS WITNESS

Rule 606(b) deals with juror testimony in an inquiry into the validity of a verdict or indictment. The House bill provides that a juror cannot testify about his mental processes or about the effect of anything upon his or another juror's mind as influencing him to assent to or dissent from a verdict or indictment. Thus, the House bill allows a juror to testify about objective matters occurring during the jury's deliberation, such as the misconduct of another juror or the reaching of a quotient verdict. The Senate bill does not permit juror testimony about any matter or statement occurring during the course of the jury's deliberations. The Senate bill does provide, however, that a juror may testify on the question whether extraneous prejudicial information was improperly brought to the jury's attention and on the question whether any outside influence was improperly brought to bear on any juror.

The Conference adopts the Senate amendment. The Conferees believe that jurors should be encouraged to be conscientious in promptly reporting to the court misconduct that occurs during jury deliberations.

RULE 608. EVIDENCE OF CHARACTER AND CONDUCT OF WITNESS

The Senate amendment adds the words "opinion or" to conform the first sentence of the rule with the remainder of the rule.

The Conference adopts the Senate amendment.

RULE 609. IMPEACHMENT BY EVIDENCE OF CONVICTION OF CRIME

Rule 609 defines when a party may use evidence of a prior conviction in order to impeach a witness. The Senate amendments make changes in two subsections of Rule 609.

A. Rule 609(a)—General rule

The House bill provides that the credibility of a witness can be attacked by proof of prior conviction of a crime only if the crime involves dishonesty or false statement. The Senate amendment provides that a witness's credibility may be attacked if the crime (1) was punishable by death or imprisonment in excess of one year under the law under which he was convicted or (2) involves dishonesty or false statement, regardless of the punishment.

The Conference adopts the Senate amendment with an amendment. The Conference amendment provides that the credibility of a witness, whether a defendant or someone else, may be attacked by proof of a prior conviction but only if the crime: (1) was punishable by death or imprisonment in excess of one year under the law under which he was convicted and the court determines outweighs its prejudicial effect to the defendant; or (2) involved dishonesty or false statement regardless of the punishment.

By the phrase "dishonesty and false statement" the Conference means crimes such as perjury or subornation of perjury, false statement, criminal fraud, embezzlement, or false pretense, or any other offense in the nature of crimes falsi, the commission of which involves some element of deceit, untruthfulness, or falsification bearing on the accused's propensity to testify truthfully.

The admission of prior convictions involving dishonesty and false statement is

not within the discretion of the Court. Such convictions are peculiarly probative of credibility and, under this rule, are always to be admitted. Thus, judicial discretion granted with respect to the admissibility of other prior convictions is not applicable to those involving dishonesty or false statement.

With regard to the discretionary standard established by paragraph (1) of rule 609(a), the Conference determined that the prejudicial effect to be weighed against the probative value of the conviction is specifically the prejudicial effect to the defendant. The danger of prejudice to a witness other than the defendant (such as injury to the witness's reputation in his community) was considered and rejected by the Conference as an element to be weighed in determining admissibility. It was the judgment of the Conference that the danger of prejudice to a nondefendant witness is outweighed by the need for the trier of fact to have as much relevant evidence on the issue of credibility as possible. Such evidence should only be excluded where it presents a danger of improperly influencing the outcome of the trial by persuading the trier of fact to convict the defendant on the basis of his prior criminal record.

B. Rule 609(b)—Time limit

The House bill provides in subsection (b) that evidence of conviction of a crime may not be used for impeachment purposes under subsection (a) if more than ten years have elapsed since the date of the conviction or the date the witness was released from confinement imposed for the conviction, whichever is later. The Senate amendment permits the use of convictions older than ten years, if the court determines, in the interests of justice, that the probative value of the convictions, supported by specific facts and circumstances, substantially outweighs its prejudicial effect.

The Conference adopts the Senate amendment with an amendment requiring notice by a party that he intends to request that the court allow him to use a conviction older than ten years. The Conferees anticipate that a written notice, in order to give the adversary a fair opportunity to contest the use of the evidence, will ordinarily include such information as the date of the conviction, the jurisdiction, and the offense or statute involved. In order to eliminate the possibility that the flexibility of this provision may impair the ability of a party-opponent to prepare for trial, the Conferees intend that the notice provision operate to avoid surprise.

RULE 801. DEFINITIONS

Rule 801 supplies some basic definitions for the rules of evidence that deal with hearsay. Rule 801(d)(1) defines certain statements as not hearsay. The Senate amendments make two changes in it.

A. Rule 801(d)(1)(A)

The House bill provides that a statement is not hearsay if the declarant testifies and is subject to cross-examination concerning the statement and if the statement is inconsistent with his testimony and was given under oath subject to cross-examination and subject to the penalty of perjury at a trial or hearing or in a deposition. The Senate amendment drops the requirement that the prior statement be given under oath subject to cross-examination and subject to the penalty of perjury at a trial or hearing or in a deposition.

The Conference adopts the Senate amendment with an amendment, so that the rule now requires that the prior inconsistent statement be given under oath subject to the penalty of perjury at a trial, hearing, or other proceeding, or in a deposition. The rule as adopted covers statements before a grand jury. Prior inconsistent statements may, of course, be used for impeaching the credibility of a witness. When the prior in-

consistent statement is one made by a defendant in a criminal case, it is covered by Rule 801(d) (2).

B. Rule 801(d) (1) (C)

The House bill provides that a statement is not hearsay if the declarant testifies and is subject to cross-examination concerning the statement and the statement is one of identification of a person made after perceiving him. The Senate amendment eliminated this provision.

The Conference adopts the Senate amendment.

RULE 803. HEARSAY EXCEPTIONS; AVAILABILITY OF DECLARANT IMMATERIAL

Rule 803 defines when hearsay statements are admissible in evidence even though the declarant is available as a witness. The Senate amendments make three changes in this rule.

A. Rule 803(6)—Records of regularly conducted activity

The House bill provides in subsection (6) that records of a regularly conducted "business" activity qualify for admission into evidence as an exception to the hearsay rule. "Business" is defined as including "business, profession, occupation and calling of every kind." The Senate amendment drops the requirement that the records be those of a "business" activity and eliminates the definition of "business." The Senate amendment provides that records are admissible if they are records of a regularly conducted "activity."

The Conference adopts the House provision that the records must be those of a regularly conducted "business" activity. The Conferees changed the definition of "business" contained in the House provision in order to make it clear that the records of institutions and associations like schools, churches and hospitals are admissible under this provision. The records of public schools and hospitals are also covered by Rule 803(8), which deals with public records and reports.

B. Rule 803(8)—Public records and reports

The Senate amendment adds language, not contained in the House bill, that refers to another rule that was added by the Senate in another amendment (Rule 804(b) (5)—Criminal law enforcement records and reports): In view of its action on Rules 804(b) (5) (Criminal law enforcement records and reports), the Conference does not adopt the Senate amendment and restores the bill to the House version.

C. Rule 803(24)—Other exceptions

The Senate amendment adds a new subsection, (24), which makes admissible a hearsay statement not specifically covered by any of the previous twenty-three subsections, if the statement has equivalent circumstantial another amendment (Rule 804(b) (5)—Criminal law enforcement records and reports).

In view of its action on Rule 804(b) (5) the statement is more probative on the point for which it is offered than any other evidence the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence.

The House bill eliminated a similar, but broader, provision because of the conviction that such a provision injected too much uncertainty into the law of evidence regarding hearsay and impaired the ability of a litigant to prepare adequately for trial.

The Conference adopts the Senate amendment with an amendment that provides that a party intending to request the court to use a statement under this provision must notify any adverse party of this intention as well as of the particulars of the statement, including the name and address of the declarant. This notice must be given sufficiently in advance of the trial or hearing to provide

any adverse party with a fair opportunity to prepare to contest the use of the statement.

RULE 804. HEARSAY EXCEPTIONS: DECLARANT UNAVAILABLE

Rule 804 defines what hearsay statements are admissible in evidence if the declarant is unavailable as a witness. The Senate amendments make four changes in the rule.

A. Rule 804(a) (5)—Definition of unavailability

Subsection (a) defines the term "unavailability as a witness". The House bill provides in subsection (a) (5) that the party who desires to use the statement must be unable to procure the declarant's attendance by process or other reasonable means. In the case of dying declarations, statements against interest and statements of personal or family history, the House bill requires that the proponent must also be unable to procure the declarant's testimony (such as by deposition or interrogatories) by process or other reasonable means. The Senate amendment eliminates this latter provision.

The Conference adopts the provision contained in the House bill.

B. Rule 804(b) (3)—Statement against interest

The Senate amendment to subsection (b) (3) provides that a statement is against interest and not excluded by the hearsay rule when the declarant is unavailable as a witness, if the statement tends to subject a person to civil or criminal liability or renders invalid a claim by him against another. The House bill did not refer specifically to civil liability and to rendering invalid a claim against another. The Senate amendment also deletes from the House bill the provision that subsection (b) (3) does not apply to a statement or confession, made by a codefendant or another, which implicates the accused and the person who made the statement, when that statement or confession is offered against the accused in a criminal case.

The Conference adopts the Senate amendment. The Conferees intend to include within the purview of this rule, statements subjecting a person to civil liability and statements rendering claims invalid. The Conferees agree to delete the provision regarding statements by a codefendant, thereby reflecting the general approach in the Rules of Evidence to avoid attempting to codify constitutional evidentiary principles.

C. Rule 804(b) (5)—Criminal law enforcement records and reports

The Senate amendment adds a new hearsay exception, not contained in the House bill, which provides that certain law enforcement records are admissible if the officer-declarant is unavailable to testify or be present because of (1) death or physical or mental illness or infirmity or (2) absence from the proceeding and the proponent of the statement has been unable to procure his attendance by process or other reasonable means.

The Conference does not adopt the Senate amendment, preferring instead to leave the bill in the House version, which contained no such provision.

D. Rule 804(b) (6)—Other exceptions

The Senate amendment adds a new subsection, (b) (6), which makes admissible a hearsay statement not specifically covered by any of the five previous subsections, if the statement has equivalent circumstantial guarantees of trustworthiness and if the court determines that (A) the statement is offered as evidence of a material fact; (B) the statement is more probative on the point for which it is offered than any other evidence the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence.

The House bill eliminated a similar, but broader, provision because of the conviction that such a provision injected too much uncertainty into the law of evidence regarding hearsay and impaired the ability of a litigant to prepare adequately for trial.

The Conference adopts the Senate amendment with an amendment that rennumbers this subsection and provides that a party intending to request the court to use a statement under this provision must notify any adverse party of this intention as well as of the particulars of the statement, including the name and address of the declarant. This notice must be given sufficiently in advance of the trial or hearing to provide any adverse party with a fair opportunity to prepare to contest the use of the statement.

RULE 806. ATTACKING AND SUPPORTING CREDIBILITY OF DECLARANT

The Senate amendment permits an attack upon the credibility of the declarant of a statement if the statement is one by a person authorized by a party-opponent to make a statement concerning the subject, one by an agent of a party-opponent, or one by a coconspirator of the party-opponent, as these statements are defined in Rules 801(d) (2) (C), (D) and (E). The House bill has no such provision.

The Conference adopts the Senate amendment. The Senate amendment conforms the rule to present practice.

SECTION 2. ENABLING ACT

Section 2 of the bill adds a new section to title 28 of the United States Code that establishes a procedure for amending the rules of evidence in the future. The House bill provides that the Supreme Court may promulgate amendments, and these amendments become effective 180 days after being reported to Congress. However, any amendment that creates, abolishes or modifies a rule of privilege does not become effective until approved by Act of Congress. The Senate amendments changed the length of time that must elapse before an amendment becomes effective to 365 days. The Senate amendments also added language, not contained in the House provision, that (1) either House can defer the effective date of a proposed amendment to a later date or until approved by Act of Congress and (2) an Act of Congress can amend any rule of evidence, whether proposed or in effect. Finally, the Senate amendments struck the provision requiring that amendments creating, abolishing or modifying a privilege be approved by Act of Congress.

The Conference adopts the House provision on the time period (180 days) and the House provision requiring that an amendment creating, abolishing or modifying a rule of privilege cannot become effective until approved by Act of Congress. The Conference adopts the Senate amendment providing that either House can defer the effective date of an amendment to the rules of evidence and that any rule, either proposed or in effect, can be amended by Act of Congress. In making these changes in the enabling Act, Conference recognizes the continuing role of the Supreme Court in promulgating rules of evidence.

WILLIAM L. HUNGATE,
BOB KASTENMEIER,
DON EDWARDS,
HENRY P. SMITH III,
DAVID W. DENNIS,

Managers on the Part of the House.

JAMES O. EASTLAND,
JOHN L. MCCLELLAN,
P. A. HART,
SAM J. ERVIN, JR.,
QUENTIN BURDICK,
ROMAN L. HRUSKA,
STROM THURMOND,
HUGH P. SCOTT,

Managers on the Part of the Senate.

EXTENSIONS OF REMARKS

MICHIGAN SCLC OPPOSES FORCED
BUSING

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, December 13, 1974

Mr. GRIFFIN. Mr. President, forced busing of school children solely for the purpose of achieving an artificial racial balance, continues to be a deeply divisive issue in Michigan and throughout the country.

It divides blacks as well as other groups in the community. That was underscored recently when the Michigan chapter of the Southern Christian Leadership Conference, the civil rights organization founded by the late Dr. Martin Luther King, Jr., registered strong opposition to busing for Detroit. As reported in the Detroit News, Dr. Claud R. Young, SCLC's Midwest vice president and a cousin of Detroit's black mayor, Coleman Young, warned that court-ordered busing in Detroit "could destroy the whole city."

This stance contrasts sharply with the position of the NAACP which is pressing hard in Federal courts for a new order to require busing in Detroit only, now that the Supreme Court has refused to require cross-district busing.

Dr. Young stated:

We do not feel that integrating the schools without raising the (educational) standards is going to help us.

According to the News:

Dr. Young said the busing issue is adding to racial polarization and ill feeling because of economic conditions and auto plant layoffs. He said it is causing migration by both white and black families.

He said:

Busing should be put on the back burner.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NAACP IS UPSET BY CALL TO DROP SCHOOL BUSING

(By Chester Bulgier)

Detroit NAACP officials have expressed dismay at a demand by another influential civil rights organization that the idea of school busing for integration be dropped.

The Michigan chapter of the Southern Christian Leadership Conference (SCLC) has warned that court-ordered busing in Detroit "could destroy the whole city."

Dr. Claud R. Young, SCLC vice-president in charge of the Midwest region, said he was speaking for the Michigan chapter of the organization, which was founded by the late Dr. Martin Luther King and which took a leading role in the battle against racial segregation in the South.

"What would happen here would make the recent violence in Boston over court-ordered school busing look like a warm-up," he said in an interview.

"We have enough first-hand information about racial polarization, resentment over unemployment and the extent of arms in Detroit to know that we simply could not stand

that extent of violent physical confrontation."

Dr. Young, a cousin of Detroit Mayor Young, said any money now set aside to implement a Detroit-only bussing plan should be diverted to improve vocational training in Detroit public schools.

Mayor Young said he agreed with his cousin "100 percent."

The mayor said he believes the fundamental problem for Detroit schools is that they receive only 50 percent of the amount of per-pupil dollar support received by suburban schools.

"That in essence is the problem, and that problem cannot be solved by bussing," Mayor Young said.

Mayor Young said he would seek to prevent disturbances if bussing were implemented. "There will be no Boston here if I can help it," he said.

The NAACP is pushing for implementation of a Detroit-only bussing plan after failing in its fight—carried all the way to the U.S. Supreme Court—to obtain cross-district bussing throughout the tricity area.

The high court last July rejected the NAACP plan to integrate Detroit and 53 predominantly or exclusively white suburban school districts by bussing students across district lines.

The case was referred back to Federal Court in Detroit, which must draft a plan for Detroit-only school integration.

"We are extremely disappointed in the SCLC position," said Joe Madison, Detroit NAACP executive director, "particularly in view of SCLC's long history of fighting segregation on both local and national levels."

Madison said he also expressed the view of Dr. Jesse Goodwin, chairman of the NAACP's education committee.

"We think they are just wrong," Madison said.

He agreed "there may be some truth" to fears that bussing may cause racial violence in Detroit worse than Boston's.

"I have had some threats on my life in connection with this already," he said.

But he said violence is caused by fear based on ignorance.

"What we should be about in Detroit is to eliminate ignorance about school desegregation," Madison said. "If you do that, you eliminate fear, and if you eliminate fear you eliminate violence."

Madison also said the SCLC stand "has very little leverage" because the matter is in the courts.

"The Supreme Court has ruled that Detroit is guilty of segregation in its public schools and that it must desegregate immediately," he said.

"Any discussion of eliminating plans for desegregation is useless, because you can't just ignore a decision by the Supreme Court."

Dr. Young said it is impossible to achieve racial balance in the Detroit school system alone because 71.6 percent of its pupils are black.

"The SCLC is still strongly integrationist, but we're trying to look at this as a practical matter," he said.

"We do not feel that integrating the schools without raising the standards is going to help us."

"The reason we supported bussing in the past was it would force us to upgrade our schools and achieve quality education for our children. But the NAACP has lost the original concept, which was quality education."

Dr. Young said the business issue is adding to racial polarization and ill feeling because of economic conditions and auto plant layoffs. He said it is causing migration by both white and black families.

Achieving racial balance without crossing school district lines is already impossible," he said.

"With this hanging over our heads, we cannot move forward on some of the issues we need to move on to turn this city around."

"Bussing should be put on the back burner."

Instead, Dr. Young said, SCLC is calling on state and federal officials to allocate funds to bring all schools up to standard.

"We're calling on the state of Michigan to revamp its vocational program so that people living in inner cities, minorities and the poor will be prepared to make a living for themselves at the age of 18," he said.

Dr. Young said public schools also should offer college preparatory courses for those who want to continue their education.

Madison strongly denied that the NAACP has abandoned the concept of quality education.

"That's still our No. 1 goal," he said. "But as long as segregation exists, equality is impossible. The Supreme Court has said this."

Madison said NAACP lawyers are seeking a multidistrict bussing plan which would be acceptable to the Supreme Court.

"So we regard the Detroit-only plan as just an interim plan anyway. Meanwhile, we have to deal with it where it's at. And what we have to do now is to see that this desegregation plan is implemented as effectively as possible," he said.

"We're not talking about racial balance. What we're talking about is true integration—the sharing of responsibility, power and resources and equally distributing these to all children in the city of Detroit."

WHAT IS THE STATE OF THE
NAVY?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. CRANE. Mr. Speaker, most Americans unfortunately are unaware of the real nature of the Nation's current defense posture. They believe, incorrectly, that the United States is still the most powerful nation in the world and, more particularly, that our naval forces are superior to those of any other nation.

In recent years, our defense position has been permitted to deteriorate. Operating on the false assumption of U.S. superiority, the Congress and the executive have together made serious cuts in funds for research and development of new weapons. Today, many urge further cuts in order to improve our economic situation, ignoring the very real danger to our world position.

The most recent issue of "Jane's Fighting Ships" refers to the U.S. Navy as that of "the other superpower," clearly indicates that the Soviet Union has achieved superiority in naval forces, and declares that—

Of those countries to whom a navy is today essential, the United States is one of the foremost, and the U.S. Navy is probably also in the van of navies subjected to misinformed, illogical and irrational attacks on it by some of those who depend on it the most.

The president of the Navy League of the United States, in his message in the

November 1974, issue of *Sea Power*, the league's official publication, ask the question: "What is the State of the Navy?" His answer paints a picture which most Americans will find disturbing.

This report notes that—

We . . . know that the Navy has been almost halved in size since the end of the Vietnam War, in a calculated gamble to rid it of obsolescent ships and to provide funds to rebuild. We also know that Vietnam left the Navy with the largest backlog of required overhauls in its history, and nowhere near enough time and money have been provided since then for those overhauls to have been accomplished. We are aware that few, if any, ships under construction are on schedule, and that some of those now being built will be over two years late when they finally join the fleet. . . . The research and development picture is also discouraging. The "fleet of tomorrow" sought so eagerly, and spoken of so glowingly . . . still is a long, long way off.

Only if we understand the negative picture of today's naval preparedness will we be willing to take the necessary steps to reverse this regressive trend. In order to provide further information about this situation, I wish to share with my colleagues the President's message from the November 1974 issue of *Sea Power* and insert it into the RECORD at this time:

QUESTION: WHAT IS THE STATE OF THE NAVY?

In recent weeks, we have seen so many claims and counterclaims on the subject of the strength of the U.S. Navy that we have become confused over the true status of that force which plays such a unique role in the maintenance of our freedoms. Jane's Fighting Ships, a prestigious publication long respected for its research and its commentary about the world's navies, without actually stating in so many words that the Soviet Navy is foremost in the world, clearly indicates this view in a detailed analysis of what the Soviets have accomplished in building up their fleet. Jane's refers to our Navy as "the other superpower" and also interestingly observes, "Of those countries to whom a navy is today essential, the United States is one of the foremost, and the U.S. Navy is probably also in the van of navies subjected to misinformed, illogical and irrational attacks on it by some of those who depend on it the most."

Not too many days passed before one of the nation's most distinguished legislators, and one who has long been regarded as strongly pro-military, Senator John C. Stennis of Mississippi, in a speech on the floor of the Senate said that speculation about inferiority of U.S. naval strength is "false" and could encourage the Soviet Navy "to react recklessly or belligerently." He added that, on a navy-to-navy basis, the Soviet Navy does not match the capability of the U.S. Navy, and that the U.S. fleet should be able to fulfill its missions except under "the most adverse and extreme circumstances"—such as a massive land-based air attack without adequate air support. His remarks generally were taken as being in vigorous opposition to the views of Admiral Elmo Zumwalt, who completed a four-year term as Chief of Naval Operations on July 1 and who has averred that the Soviet Navy is indeed superior to our own.

Following on the heels of the rather surprising Stennis speech came news releases from the offices of the services' most vociferous critics, Senator William Proxmire and Congressman Les Aspin, both of whom resorted to statistics to "prove" that the U.S. Navy is not only much stronger but also

younger than the Soviet fleet, while also taking advantage of the opportunity to fire a few pot shots at the admirals who have been seeking to modernize and rebuild our fleet. Unfortunately, the data used failed to include, among other items, information on weaponry, ship construction rates in both countries, expenditures for research and development, and funds allocated to hardware, factors that must be considered in evaluating any navy; for that reason, the statistical onslaught did little more than add to the confusion.

Then the Wall Street Journal chimed in with a report that "Navy officials get word from top Pentagon civilians to stop talking openly about U.S. seapower weaknesses. Secretary Schlesinger and colleagues feel the comparison with Russia is nowhere near as dire as some admirals make out."

While we were pondering the impact of this statement, there came a spate of news stories from the Pentagon that inflation is eating away at the Navy's shipbuilding program and that the Navy is now going to get much less than it hoped for with the funds allocated for the program. Then came a chilling charge by the outspoken and acerbic Admiral Hyman Rickover that the existing ships of the Navy are in the worst condition they have been in in the last 50 years.

On the basis of these conflicting and disturbing remarks, we begin to wonder just what kind of shape the Navy really is in. We do know that the Navy has been almost halved in size since the end of the Vietnam War, in a calculated gamble to rid it of obsolescent ships and to provide funds to rebuild. We know also that Vietnam left the Navy with the largest backlog of required overhauls in its history, and nowhere near enough time and money have been provided since then for those overhauls to have been accomplished. We are aware that few, if any, ships under construction are on schedule, and that some of those now being built will be over two years late when they finally join the fleet. We know that some ships authorized by Congress two years ago still are not under contract to be built, and that the Navy has encountered heavy going in its search for shipbuilders to build them. And we have heard much of late of the running battle between the Navy and almost all private shipyards, almost all of whom contend vigorously that the Navy's approach to shipbuilding is antiquated, cumbersome, bureaucratic, too prone to changes and designed to keep builders' profits so low as to make it undesirable for them to build Navy ships.

The research-and-development picture also is discouraging. The "fleet of tomorrow" sought so eagerly, and spoken of so glowingly, by Admiral Zumwalt still is a long, long way off. The sea control ship for which he pushed so hard still is on the drawing board, with Congress blocking the expenditure of funds for its construction. It now appears unlikely it will ever sail the seas in the form originally envisioned. The surface effects ship, one which would appear to offer great promise, still has not gotten a green light for production. Hydrofoil development and production still are agonizingly slow, and Congress cut more than half of the new patrol frigate program.

Operationally, a number of experts agree that a major deficiency exists in surface-missile capability, and that we are far behind the Soviets in this most important sector of naval warfare. The authoritative Jane's also tells us that one of our newest additions to the fleet, the SPRUANCE-class destroyers, ships as large as WWII cruisers, will be outclassed by Soviet ships of the same tonnage in all aspects except ASW operations and the possession of gas turbine engines. This is a depressing view of brand new ships.

LET'S NOT FORGET GENERAL BROWN

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. DRINAN. Mr. Speaker, in the recent past I wrote to the Secretary of Defense requesting some explanation of the incredible remarks of Gen. George S. Brown, the Chairman of the Joint Chiefs of Staff.

I reproduce here the letter which I have received from John M. Maury of the office of Assistant Secretary of Defense. I attach also the five last paragraphs referred to by Mr. Maury of the address given by General Brown.

I reproduce these two items, not to suggest that General Brown's explanation is very satisfactory, but simply to put on the record the reaction of the Pentagon and General Brown to an incident which should not be forgotten. The material follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., December 2, 1974.

HON. ROBERT F. DRINAN,
House of Representatives,
Washington, D.C.

DEAR MR. DRINAN: The Secretary of Defense has asked that I respond to your letter of November 22 in which you requested comment upon your recommendation, as published in the November 19 Congressional Record, of the resignation or removal of General Brown.

As you are already aware of the statement issued by General Brown on the matter, I will not repeat it. Subsequently, however, General Brown did address the subject on November 25 before the Comstock Club of Sacramento. A copy of his speech is enclosed for your information and I call your attention to the last five paragraphs. Be assured that no one regrets the self-admittedly unfounded remarks more than General Brown.

Both the President and the Secretary have discussed this matter with General Brown. He continues to have their confidence. The President, as you will recall, stated:

"General Brown has been an excellent Air Force officer; he has been an excellent Chairman of the Joint Chiefs of Staff. He has made a mistake; he has recognized it. He is going to continue as the Chairman of the Joint Chiefs of Staff."

The Secretary of Defense fully endorses the President's remarks regarding General Brown. Secretary Schlesinger appreciates your concern and your taking the time to advise him of it.

Sincerely,

JOHN M. MAURY.

In response to a question from a student on a very complex and difficult subject, I provided an unthinking shorthand answer. In an all too casual fashion, I used inaccurate words, poorly chosen at random, without knowledge of their emotional impact. I meant no affront. In fact, those present felt none. On every possible occasion, I have expressed my concern at having unintentionally offended my fellow Americans, not merely Americans of Jewish faith.

More than anything else, I am both awed and appalled by the divisiveness this incident has caused. I understand the upset and dismay that have been expressed. I have received some letters of support of a type I

totally reject as alien to America and alien to me. Polarization of our society is contrary to our traditions and clearly not in the best interests of the Nation.

There are two lessons that I have learned. First, I have learned a good deal about the corporate structure of banks and newspapers, and, in addition, I have learned that the strategic direction of the Armed Forces in the defense of America is my forte and is a full-time job. With this in mind, I intend to avoid even the appearance of dealing with anything else.

One final word—in light of those offending remarks. In three wars, I have been shot at in an effort to serve and protect freedom of religion and freedom of speech. I feel we must now get on with the serious business of maintaining the strength of America—not for strength's sake, but in order to preserve these fundamental American freedoms. I assure you that I intend to continue in that effort.

Thank you.

H. R. GROSS: PERSISTENT, INFORMED, AND ON THE JOB

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 9, 1974

Mr. THONE. Mr. Speaker, American author Edward Eggleston wrote, "Persistent people begin their success where others end in failure."

Thus, it is not derogatory but laudatory to report that the gentleman from Iowa has been defeated more often than any other Member in efforts to reduce Federal spending. HAROLD ROYCE GROSS has been undaunted by his defeats. He has persisted. As a result, on many other occasions he has succeeded in reducing the rate at which this body is adding to our national debt. Americans have been spared billions and billions of dollars in taxes because of the persistent efforts of H. R. Gross.

I share the view of the gentleman from Iowa that America is being endangered because of the ever-faster growing national debt. Not every Member shares that opinion. One conviction that I am certain we all hold in common, however, is the importance of passing legislation that is technically sound, free from error and worded so that it will accomplish its objectives. This body has been greatly aided toward that objective through the efforts of the gentleman from Iowa. No other Member of the House of Representatives, in my opinion, does a more conscientious job of studying every bill that comes to the floor than H. R. Gross. He has saved this body from embarrassment on many occasions because he was thoroughly informed of the content of proposed legislation.

No Member is more faithful than the gentleman from Iowa in being present on the floor when legislation is being considered. Because he is always on hand, he can point out to the House both its technical errors and its errors in judgment.

The House needs an H. R. Gross. He will be sorely missed in this body. No one

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person can fill the shoes of the gentleman from Iowa. Hopefully, three or four Members will take over the valuable functions now being performed by H. R. Gross, who has been persistent, informed and on the job.

OIL AND WATER WILL NOT MIX

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. EDWARDS of California. Mr. Speaker, Journalist Gil Bailey of the San Jose Mercury observes that "Oil and Water Will Not Mix" in the winter 1974-75 issue of *Cry California*. The conclusions of this fine article are that Project Independence may have sobering effects on our environment, our food production, our transportation systems, and our water supply.

The article is as follows:

OIL AND WATER WILL NOT MIX: PROJECT INDEPENDENCE
(By Gil Bailey)

If it is true that coming events cast their shadows before, the American people should recognize that the Ford Administration's "Project Independence" for national energy self-sufficiency carries the threat of national and international disaster.

The warnings are clear. Of dubious validity on several counts, Project Independence is also in direct conflict with the need to increase the nation's production of food. Further, it can only add momentum to the inflationary trend of the economy. The impact of Project Independence on future food supply is probably its least realized danger. Unless the program is based on conservation of energy and closely related to plans for increased food production, neither aim can be accomplished and the physical environment may be irreversibly impaired in the process.

Late last month, a subcommittee of the House Committee on Agriculture warned that without intensified food production and a change in population patterns, starvation may be the consequence in many areas of the world. The impending food crisis, the report added, "will have the potential to affect everyone from every walk of life and hit with more impact than the energy crisis of 1973-74."

The report further pointed out that "shortages of land, water, fertilizer, and energy could aggravate the crises, with the United States in the midst of the situation . . . Americans cannot afford to sit idly by thinking that this problem does not affect us."

The National Academy of Sciences, in a bulletin entitled *The Rehabilitation Potential of Western Coal Mines*, has noted: "Until recently, it has been tacitly assumed that the unappropriated water in the coal region would be used for some combination of irrigation, wildlife management, and municipal and industrial purposes. In 1973, the use of this water became, as far as government reports are concerned, more importantly directed towards energy conversion . . . Such a sharp reversal in government policy came about with little or no public awareness."

Here are other harbingers:

From *Energy Use and Outlook*, prepared by the Economic Research Service of the U.S. Department of Agriculture: "In the Rocky Mountains and Northern Great Plains, energy development—coal and oil shale—can have

high water requirements. Depending on the type of energy development—coal gasification or thermal electric generation—water needs in energy development would equal the amount [needed] to irrigate 150,000 to 300,000 acres for intensive crop production annually. The value of the water for energy development may be so high that farmers cannot bid for it for agricultural uses. If so, irrigated agriculture in the area will decline, as will food production."

Duncan Warren, director of the Lewis and Clark Resource Conservation and Development Project in North Dakota, where thousands of acres are being leased for strip mining, was quoted in the *New York Times* magazine: "But how about a food crisis? That's going to hit us hard in a few years. Maybe a few hundred thousand acres right here isn't going to make much difference. But if this happens everywhere in the West, what happens to food production? We don't have the population out here in the West to get a real good impact politically on the Legislature or on Congress. And where the population is, they want energy, at least for right now."

And from *A Time To Choose: America's Energy Future*, a Ford Foundation study: "By cutting the growth rate in energy consumption, the United States can balance its energy budget, safeguard the environment and protect the independence of its foreign policy."

With the forced resignation of John Sawhill as Federal Energy Administrator in late October, however, it became clear that the Administration will have no real conservation program. Sawhill had emphasized the necessity for conservation as an essential element in the effort to reduce the nation's dependence on foreign oil. Instead, when Interior Secretary Rogers C. B. Morton won the bureaucratic struggle for control, he immediately proclaimed his own stand in a speech entitled, "Coal is the Answer."

Although the secretary later denied that the Administration has no interest in conservation, the nation is nevertheless proceeding with a single-purpose program for energy production, despite numerous warnings coming also from informed members of Congress, the Central Intelligence Agency, the President's Council on Environmental Quality, and the Environmental Protection Agency.

If Project Independence were to proceed as presently designed, let's see what the future might hold . . .

WASHINGTON.—The year is 1990 and Project Independence is a reality.

A commercial airliner takes off from Dulles International Airport and climbs swiftly. Although it is still daylight, the sky is eerily dark. Little can be seen of the ground below, the capitol dome, or the Potomac River a few miles away. Smoke, heavy and black from the coal-fired power plants, and heavy auto emissions have combined to cast a pall over the area. The pall is not confined to the capital city. It covers most of the metropolitan East Coast, the great megalopolis that stretches down the Atlantic seaboard.

The smog, of course, has destroyed more than esthetic values. The rate of lung cancer has risen in urban regions, as has the death rate from heart disease. Respiratory problems are much more serious, and doctors advise those with heart or lung problems to leave the vicinity, as in the 1960s and 1970s they advised patients with similar ailments to move from the Los Angeles region. There are other side effects. Paint peels off homes located downwind from the power plants. Soot collects on everything and there is no longer such a thing, fashion or no fashion, as a white shirt.

Finally above the dark layer, the plane swings west on its flight across what has often been called "America's Heartland," where the "amber waves of grain" provided not only

sustenance for the nation, but a surplus for export. Here, also, there are huge clouds of smoke formed, as in the East, by the mixture of auto exhausts and emissions from coal-fired plants. Chicago and Gary are invisible, as later are the twin cities of Minneapolis and St. Paul, and St. Louis.

Over St. Louis, another phenomenon is glimpsed only dimly. The Missouri River is no longer "wide." It is reduced to a thin stream, most of its waters having been pre-empted for the oil-shale and coal-gas plants upstream. Barges can no longer navigate the river, which puts an additional burden on the rail and highway transport systems. But then, there is less to be carried from the Dakotas and the mountain states, for the same demands that dried up the Missouri—water for coal, lignite and oil shale—have also reduced the water available for cropland irrigation.

Farther west, the plane crosses the Colorado River, now also a small and black stream. Its waters too have been turned over to the ever-increasing demand for energy. Already over-extended in 1974, the Colorado now is truly a dead river. The salt and acid content of its lower basin is so great that no farmer wishes its waters to wash his fields, and the cost of desalting the river is prohibitive.

The pilot is more than usually careful on this leg of the trip because weather-modification projects in the Upper Colorado River Basin have had unpredicted climatic effects in the Rocky Mountain and Plains states.

The jet lands at San Francisco after flying over Yosemite Valley. The valley is now filling with water, the culmination of a project similar to San Francisco's Hetch Hetchy which many years ago inundated another scenic valley to supply water for the city of San Francisco. Farther north, huge machines bore giant tunnels to divert Columbia River waters to the Colorado basin, against the outraged protests of Oregon and Washington.

Had the plane been scheduled to land in Los Angeles, its passengers would have observed a skeletal, thinly populated city. The decline was caused by many factors. Introduction of oil and high-sulfur coal to fuel its power plants contributed heavily to the severe smog of 1979. Massive spills from offshore oil fields ruined the beaches and destroyed marine life. The final blow was the shrunken supply of water, which gradually strangled this once basically desert area converted to a metropolis only through the importation of water. The disappearance of their water came as a great shock to the millions who lived here but were unaware of the precarious balance of the natural resources on which the richness of the area depended. The lush fields of the Imperial, Coachella and Gila valleys have meanwhile been destroyed by salt-laden irrigation water, and the diversion of water from the San Joaquin and Sacramento valleys in a desperate effort to save Los Angeles has sharply reduced agricultural production there.

The plane's passengers disembark at San Francisco and buy newspapers at \$1.50 for 12 pages. They read of the continuing border wars with Mexico, sparked partly by United States efforts to control Mexico's off-shore oil fields, and also by the accumulated impurities in the Colorado River which destroy Mexican cropland.

San Francisco, too, is smog-bound, and respiratory disease has increased sharply because of the use of coal in power plants. A trip to Monterey and Carmel is no longer a pleasure. The sea otter, once a friendly and diverting sight in Monterey Bay, is extinct, victim of oil spills and other man-caused disruptions of the marine environment. There are serious problems caused by radiation leaks from nuclear plants along the coast and inland.

California markets, once filled with fresh produce, are nearly empty because of the curtailment of agriculture brought on by

the need for energy. International demands for food aggravate the domestic situation. Several hungry but nuclear-equipped nations back demands for American produce with clear threat of holocaust.

If the present formulation of Project Independence becomes a reality, the consequences may not be far wide of the scenario just outlined, although the exact year may not be 1990.

The President appears to be guided by a single yardstick—the continuation of an unlimited growth economy. The problems facing the nation, however, cannot be solved simply by conventional projections of future energy demands in the United States based on past rates of consumption. Future needs must be tailored to the unavoidable limitations of finite resources.

Unfortunately, there is no national planning body such as suggested by Russell Train, administrator of the Environmental Protection Agency, to evaluate conflicting demands on resources and seek equitable allocation. Train pointed out in the previous issue of *Cry California*:

"There is probably no more compelling evidence of the need for a permanent mechanism for long-range analysis and evaluation than the multitude of interdepartmental task forces, committees and commissions that in recent years have appeared and disappeared, flourished and faded, as the crises that led to their creation have come and gone... What we need, in fact, is a mechanism that will produce the kinds of information, analysis and evaluation of issues that will enable us to understand the long-term impact and implications of the decisions we must take."

In light of these comments, it seems worthwhile to review the origins of Project Independence. It was conceived as a public-relations gesture, in what turned out to be the final months of the Nixon Administration, to appease a public bewildered over the sudden fuel crisis and angry at waiting in line for hours for gasoline. A simple example will illustrate the lack of forethought with which the plan was conceived. When former Colorado Governor John Love held the position of "energy czar," reporters met with him in the old Executive Office Building. Love trotted out the usual figures showing that oil shale and coal could save the nation. A reporter asked about water requirements and he replied, "We haven't thought about that." Yet it takes three barrels of water to produce one barrel of oil from shale, and many of the oil-shale deposits are in water-short areas of Colorado.

Other adverse factors being ignored include:

Loss of agricultural production as water and land are preempted for energy.

Lowering standards of air and water quality, with the accompanying danger to public health.

Increasingly inflated costs of developing net energy. (It takes energy to produce energy.)

Among a series of studies on the water needed for energy production, a report covering the Upper Colorado River Basin has been completed. The conflict over water allocation and use, arising from the need to produce food and energy in ever-increasing amounts, is highlighted in a section of the report which opens a discussion of the "crunch" in water supplies:

"It is apparent that the legal right to utilize water will be, perhaps, the most important factor in the consideration of the question of water for energy development in the Upper Colorado Basin."

The Colorado is a classic case. Hardly a drop of the river now flows freely to the sea. Almost all is used and reused for irrigation, power production and municipal and industrial purposes. Water rights—the legal rights to use the water of the river—are distributed among seven states, including California, and Mexico. These commitments far

exceed the actual flow of the river. As a result, there is a great deal of "paper water," of no use for drinking but a great use in court. Approximately 17 million acre-feet of water rights are allocated (an acre foot of water is the amount that would be required to cover one acre a foot deep) for a river which produces only 13.5 million acre-feet of water annually. Even though there is normally a real surplus of water in the upper basin, that surplus is eventually used up in the lower basin for agriculture in the Gila, Imperial and Coachella valleys and for the multiple needs of the Greater Los Angeles Metropolitan Area along with those of Mexico.

Thus, if we can rely on estimates by the Department of the Interior that additional water needed for energy by the year 2000 will total 874,000 acre-feet per year for little more than prototype programs in the states of Wyoming, Colorado, Utah, New Mexico and Arizona, or on the Western States Water Council's calculation that the same need will be 821,000 acre-feet in 1990, we can be sure the extra water will be taken from the mouths of many.

There are two problems with the Colorado River: Besides the absolute supply of water, there is its salt content. As the Colorado winds south, it picks up salts, and the salinity increases with each water use and discharge. At present, Mexico, which is entitled to 1.5 million acre-feet per year from the river, complains strongly about the salt content of the water because it severely damages their crops. As a result, the United States has agreed to build a huge desalinization plant to cleanse the river before it goes across the border.

According to the report, "Although salinity is considered the most serious water-quality problem, energy development poses potential problems of added municipal wastes, industrial wastes, dissolved oxygen content, temperature, heavy metals, toxic materials and bacteria."

Like politics and misery, competition for water can make strange bedfellows. The Metropolitan Water District of Southern California, locally known as "Met," which serves the megalopolis of greater Los Angeles, has not often found itself on the side of environmentalists. Yet in Washington, D.C., a Met spokesman recently sent a reporter an article from *Environment* magazine, entitled "Wringing Out the West: Remember the Missouri and the Colorado?" With the article was a note saying, "Don't know whether you have seen this—thought it might be helpful." The article affirmed the deep concern of Met over energy development based on Colorado River waters.

Spokesmen for Met stress the salinity problem, rather than absolute shortages, because the district believes it can replace quantity deficiencies with water from Northern California. If this were done, the further drain on the Sacramento-San Joaquin Delta, San Francisco Bay, and the irrigation system for farmlands of the Sacramento and San Joaquin valleys would intensify pressures for development of all possible sites, not excluding Yosemite Valley.

If unchecked, such energy demand could spark a new drive to tap the waters of the Columbia.

Disturbing as the long-term projections are—long term meaning ten or more years—the implications of the current prototype projects are equally unsettling. Already the energy companies are taking over agricultural water rights in the Upper Colorado, and new reservoirs, and pipelines, at half a billion dollars a crack, are being planned. In addition, the federal Bureau of Reclamation is talking quietly of adding at least 500,000—and perhaps 1.5 million—acre-feet of water to the basin through cloud seeding. Experimental projects are under way.

The Colorado is not the only river under

pressure. Consider the case of the Missouri. That river and its basin provide the only significant sources of water for Montana and portions of North Dakota and Wyoming, now used primarily for irrigation and navigation. The Bureau of Reclamation has estimated that the Yellowstone, one of the tributaries of the Missouri, which now flows all but unchecked the length of Montana, could annually provide 2.6 million acre-feet of water for energy development. Energy developers have already requested 3.3 million acre-feet. The average flow of the Yellowstone is 9.4 million acre-feet each year, just 3.7 million more than would be required for current uses and projected energy uses combined.

The Northern Plains Resources Council has said that "diversions of this scale [by energy companies] would critically threaten the efficiencies of present pumping and diversion facilities and would eliminate any further development of irrigable lands."

The *Environment* article made a further point: "Officials of the Missouri River transport lines operating east of the 98th meridian are understandably nervous about water uses further west that might leave their boats high and dry. As Gibbs [Phil Gibbs of the U.S. Bureau of Reclamation] points out, there is the potential for nearly choking off the lower Missouri by legally diverting water for human activities between the headwaters in Montana and the Iowa border."

The situation could result in reopening long-standing controversies over water rights. At present there is a fragile truce, but the proposed federal government policy threatens to upset that delicate balance. In particular, the government is considering making official claim to its own rights for water originating on or traveling through federal lands. Such rights might supersede those granted by states. In addition, several Indian nations are preparing claims of their own, striking terror in the hearts of current users.

Water is, of course, but one of the resources which will be exploited and perhaps even exhausted by demands for unlimited energy.

Land is also the object of strenuous competition, particularly in areas where huge coal and oil-shale deposits lie. The strip-mining bill is once more mired in House-Senate conference committee, and while there may still be legislation to protect the land from unrestricted strip-mining, no such safe-guards exist at this writing.

While a good portion of the coal and oil-shale deposits are under relatively unproductive land, this is by no means true of all. In agriculturally rich North Dakota, for example, there are huge deposits of lignite quite readily available for stripping. An estimated 600,000 acres of farmland have already been leased by energy companies. Lignite is low-grade coal which is commonly burned to produce natural gas, a process requiring great quantities of water.

Although the companies contend they will reclaim all the land mined, that land would be out of production during stripping and for the period of replacement and revegetation. Also, there is no guarantee that it is possible to restore the soil to its former quality. There may well be more public relations than science in the energy companies' largely untested claims of complete reclamation.

So far North Dakota, along with most of the Western states, has taken a "show me" attitude towards energy development. Not so strangely, the enthusiasm for such activity increases in direct proportion to the distance from a development. Most will benefit distant areas—Los Angeles, for example—while bringing hitherto unknown pollution and social problems to the relatively stable and clean Western farm states.

However, the economics of the situation dictate that in the end, many farmers can-

not afford to refuse the persistent offers of the energy companies. Typically, a square mile of this farmland will gross an estimated \$50,000 per year, according to the *New York Times*. The same property could yield an estimated \$1.12 million in energy royalties.

In the Dakotas, as well as elsewhere, the search for energy is in direct competition with the need for increasing food supplies, and the United States no longer produces a real surplus of food to the degree that it can meet rising export demands and help balance the trade deficit, or even keep down American food prices. Experts on the Senate Agriculture Committee point out that almost all the nation's Class I agricultural land is now in production. There is no land left in the land bank, and every acre of land or allocation of water removed from agricultural uses decreases the nation's ability to grow food.

The CIA briefed Congressmen recently on the world food situation, noting the dangers of famine overseas and the possibilities of acute problems in China and the Soviet Union if the predicted colder weather cycle develops. The CIA bluntly said the United States can regain world leadership if it has the crops for export, but will face "potential risks" from the powerful nations of the world if the food isn't available. Such risks might of course include nuclear confrontation.

Another question raised by Project Independence—at least as it is now contemplated—is its effect on the economy. The current inflation derives in part from pressures built up by the Vietnam War. The Russian wheat deal, increasing many basic costs, and the huge and abrupt boost in oil prices created the current peaks. The increasing cost of "net" energy production, as envisioned in Project Independence, will further aggravate inflation. There is no cheap energy left. For example, Detroit Edison has contracted for 180 million tons of Montana coal at a cost of \$1 billion, and the cost of transportation will add an additional \$2 billion. Oil from oil shale will be more costly than oil from the ground. Natural gas from lignite will be more costly than natural gas from the ground. Oil from Alaska will be more costly than oil from Texas, oil from off-shore rigs will be more costly than oil from on-shore rigs.

The energy developed by Project Independence will be more costly in another way. It is possible to expend more energy in development and transport than is ultimately realized. It should be determined whether the net energy gained is worth the price paid to produce it. No one has figured the BTU (British Thermal Unit) cost-benefit ratio of many of the proposed energy developments.

Finally, coal, the so-called basic fuel in Project Independence, is the dirtiest of all fuels. The lethal smogs of Damora, Pennsylvania, and London were caused by the burning of coal. It is questionable whether coal can be burned cleanly, and it is certain that additional coal plants will create more pollution. Indeed, the coal industry is pressing for an easing of air-pollution standards because of the energy crisis and may well win its case.

To summarize Project Independence, it simply won't work. There are logical alternatives, including the simplest and most workable of all—conservation of energy by reducing the rate of consumption and concentrating on development of less destructive sources of supply.

In Washington, energy conservation is strongly supported by Train of EPA, Russell Peterson of the President's Council on Environmental Quality and a number of Congressmen. Peterson advocates a "half and half" program—half development and half conservation. (Of course, no one speaks against conservation any more. Energy policy, however, is a different matter.)

Senator Alan Cranston (Democrat, California) and Representative Morris Udall (Democrat, Arizona), together with Senator

Henry Jackson (Democrat, Washington) and others have consistently advocated a balanced program of conservation and development.

Cranston proposed that the President exert the "full power and persuasion of the federal government to cut the annual rise in the rate of fuel consumption in the U.S. by 50 percent." He said Americans can save at least 340,000 barrels of oil a day, noting that "at current inflated prices, that comes to nearly \$4 million a day." Cranston has also suggested specifics to make such a program effective, including a graduated tax on autos, based on weight, thus related to consumption of gas.

Udall stresses prudent resource management, commenting: "There is only one new real source of energy and that is to conserve energy." As the man who has worked hardest to pass a strong strip mining control bill, Udall has faced the problem head on.

As noted earlier, the Ford Foundation report warns that a number of things must be done to achieve a reduction in the national consumption of energy. These include:

Adopt minimum fuel-economy performance standards for new cars, to achieve an average of at least 20 miles per gallon by 1985.

Encourage more efficient space heating and cooling. This includes making credit easily available for energy-saving investments in existing buildings; setting higher Federal Housing Administration standards for insulation and heating and cooling systems; upgrading building codes and providing technical assistance to builders.

Design government programs to encourage technological innovation for saving energy. This includes shifting federal research-and-development funding toward energy conservation technology.

Set prices to reflect the full costs of producing energy—this is especially important for the promotion of energy-saving in industry. This means eliminating energy industry subsidies; abolishing promotional discounts for big electricity users; levying pollution taxes to supplement pollution-control regulation; and building oil stockpiles financed by tariffs on imported oil.

Even at a two-percent annual growth rate, energy supplies will need to be 28 percent larger in 1985 than in 1973. Yet the slowdown from present growth rates would mean that from now until 1985, the nation could meet demand without resorting to developments that risk grave environmental damage or serious foreign-policy confrontations.

Until 1985, new supplies could come from discoveries of oil and gas onshore, plus offshore production in the Gulf of Mexico; secondary and tertiary recovery from existing oil and gas wells; coal from deep mines and surface mines where the land can be reclaimed; and electric power plants already in some stage of construction. For this period, at least, it would not be necessary to embark on large-scale development of Western coal and shale where reclamation is chancy or impossible. Nor would massive new commitments to nuclear power, increased oil imports, or offshore oil development in so far undisturbed areas (Atlantic, Pacific and Gulf of Alaska) be required.

The study concludes that if historical growth patterns are followed it would mean "very aggressive development of all energy sources." There would be "little scope to pick and choose among sources of supply, no matter what economic, foreign policy or environmental problems might arise."

Yet this is the course taken thus far because of failure to realize the consequences of Project Independence or, in fact, of any single-purpose approach to the complex problems we face in company with the rest of the world.

To plan by slogan is a dangerous exercise in self-deception. In an interdependent

world which must find a way to live in harmony, Project Independence invites chaos. It is not too late to consider all of the factors involved—food supply, inflation, foreign policy and pollution—and plan comprehensively from a base of resource conservation.

SIMAS KUDIRKA—THE SAILOR IS NOW HOME BUT THIS TIME IT IS FOR REAL

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. HANRAHAN. Mr. Speaker, after 4 long years of hard labor in a Siberian concentration camp, Simas Kudirka, the Lithuanian sailor who attempted to jump ship and defect to the U.S.S. Coast Guard cutter *Vigilant* off Martha's Vineyard, on November 23, 1970, is now home and safe in the United States of America.

My staff—Betty Burger, caseworker and my executive assistant, Sandy Burke—and I along with hundreds of Lithuanian-American groups, especially, Dr. and Mrs. Roland Paegle, Mr. and Mrs. Romus Kezys, and Dr. and Mrs. Kezys Bobelis, began our exhaustive 2-year crusade to free Simas Kudirka from a 10-year hard labor sentence in a Siberian concentration camp.

Through the great assistance of the U.S. State Department and the personal intervention by President Gerald R. Ford with Soviet Communist Party Chief Leonid Brezhnev, Simas Kudirka, the sailor, is now home, but this time it is for real.

I wish to insert an article which appeared in the Washington Post for the interest of my colleagues.

HOME IS THE SAILOR, THIS TIME FOR REAL

(By Jean M. White)

Simas Kudirka, who survived one of this country's less glorious moments with untarnished belief in America, was put to another stern test yesterday.

In a crowded, noisy Capitol reception room, the Lithuanian sailor, who tried to jump ship to freedom, went through the ordeal of a hero's welcome, shaking hands, smiling, understanding little of what was said, sweating in a stifling room, often more than a little confused. And yet he still could say that he was happy to be in America.

There have been worse moments for Kudirka.

Four years ago he jumped aboard an American Coast Guard vessel tied to a Russian fishing trawler off the New England coast during a talk about fishing rights. Kudirka asked refuge in the United States, but Coast Guard officers allowed Russian sailors to beat him and drag him back to the Soviet ship.

The 44-year-old Lithuanian then served four years of a 10-year sentence in a Siberian concentration camp. He was freed in September after his mother's baptismal certificate was found in a Brooklyn, N.Y., Roman Catholic Church to give her son claim to American citizenship.

Looking across the crowded reception room yesterday, a trifle ill at ease in his new blue suit, Kudirka said forcefully.

"I do this if it will help the people left behind. I am no hero. I know people back there who have been in labor camps for 25

years for nothing . . . I only wish those beautiful people in that beautiful country wouldn't have to live in a land of concentration camps."

An interpreter was needed to translate the words. But no interpreter is needed to translate Kudirka's emotions, hand clasp, and piercing blue eyes when he challenges:

"I'd like to send at least one American over there to ask for a document of human rights. They took away four of my human rights."

"We're very emotional people," he concluded, grasping a hand and not letting go until he was through.

Kudirka's aborted jump to freedom resulted in a House Foreign Affairs Subcommittee report and the early retirement of two Coast Guard officers, who were faced with courts-martial.

When Kudirka jumped aboard the Coast Guard cutter off Martha's Vineyard in 1970 and asked for political asylum, he had no idea that he could claim American citizenship, he recalled yesterday.

It was only when word came out of Lithuania that Kudirka's mother, Maria Sulskis, had been born and baptized in America that the break came for Kudirka, serving the 10-year term of forced labor for treason.

What turned into a detective hunt for the proof of American birth—with the State Department carefully checking the ink to rule out forgery—started with a letter from Lithuania to an old friend of Mrs. Sulskis.

"The letter to Maria Achenbach, who had known Mrs. Sulskis in Lithuania, said that Simas' mother 'was born in the United States like yourself.' We didn't know the name of the church where she was baptized, but we got hold of a Catholic priests' association and checked where the priest, whose name we knew, had been assigned. It was St. Mary the Angels in Brooklyn," related Glazina Paegle.

Kudirka, his wife, his mother, son, and daughter, have been living with the Paegles in Locust, N.J., where the Lithuanian sailor is close to the water of a nearby bay.

"The morning after he arrived," Mrs. Paegle said, "he went out in a motor boat with my husband. He was amazed there were no guards along the seacoast, no checkpoints."

Once the baptism certificate of Kudirka's mother was found, the State Department declared her an American citizen earlier this year, opening the way for her son to claim citizenship by choice. Mrs. Sulskis was born in Brooklyn in 1906 and, at the age of 6, taken back to Lithuania, where she lived until she joined her son's family to return to her homeland.

Rep. Robert Hanrahan (R-Ill.), who was co-host with New York Sen. James Buckley and Illinois Sen. Charles Percy at the Capitol reception yesterday, said President Ford had intervened personally with Soviet Communist Party Chief Leonid Brezhnev to free Kudirka on his claim of American citizenship.

"The State Department checked carefully," Hanrahan said. "They even checked the ink on the mother's baptismal certificate. You remember that forged map that fooled Yale University a while back."

Kudirka arrived in the United States on Nov. 5—Election Day.

"Unfortunately, I was in Chicago so it didn't help me in the election," Rep. Hanrahan noted wryly. His Third Illinois District includes suburban and city wards in Chicago with a sizable number of constituents with Baltic blood.

Kudirka, who had picked up some English as radio operator on his ship, is adding to his vocabulary. Yesterday, holding a silver plate given him by the House of Representatives, he pointed to the insignia of the eagle when asked about his two lapel pins: the American flag and the Lithuanian national symbol of a knight.

"Like the eagle—American eagle," he said, pointing to his Lithuanian symbol.

Mrs. Sulskis, a stolid woman with a big smile, told—through an interpreter—of being harried in her small village after her son's arrest.

She said that a woman's organization to which she had belonged for 20 years dropped her suddenly, the interpreter explained, adding: "She wishes she had brought some smoked bacon with her, although she isn't supposed to eat it."

For Kudirka, the long wait for freedom is over. But at the reception yesterday beginning his fight to get his wife and 11-year-old daughter to this country. Aloyzas Jurgutis escaped to Italy while on an excursion to Yugoslavia and arrived here in September. After his defection, his wife lost her job and none of his letters has been answered.

"Please help me if you can," Jurgutis said in halting English.

HON. H. R. GROSS

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 9, 1974

Mr. ARENDS. Mr. Speaker, although not tall in stature, one of the real giants of the Congress is leaving for a well-earned retirement. These Halls will not be the same next year without H. R. GROSS. In the last 26 years he has become one of the legendary personalities of Capitol Hill. Visitors from all parts of the country looking down on this Chamber from the gallery invariably ask, "Which one is H. R. Gross?"

Yes, H. R. GROSS has been more than a Representative from the State of Iowa. In his self-styled role as "watchdog of the Treasury" he has built up a devoted national constituency. Citizens from all 50 States who believe in sound government and fiscal integrity have come to admire the tenacious resolve of this man in his pursuit of responsible legislation.

The other day someone facetiously remarked that when those two great liberals—GROSS and ARENDS—retire, perhaps something can be done about Federal spending. The incongruity of casting H. R. in the role of liberal naturally brought forth a good laugh in the cloakroom. But in many ways that really count, he is just that.

Certainly no Member of Congress, past or present, has been more liberal and generous in giving of his time and talent to serve his constituents and his country.

Certainly no Member of Congress, past or present, has been more liberal and conscientious in his efforts to preserve and promote the principles upon which this Republic was founded.

Certainly no Member of Congress, past or present, has been more liberal in sharing his vast knowledge of the legislative and parliamentary process.

Yes, H. R. GROSS throughout his 13 terms in the Congress has been liberal in ways that count—just as he has been conservative in way that count. Labels have never been important to him. What mattered most was the welfare of the country and how it is affected by what we do here. He has been one of our most

effective legislators. Countless measures bear his unique imprint.

I feel privileged, indeed, to have had the opportunity to serve with H. R. these past 26 years and to have been included in his circle of friends. I join with all my colleagues on both sides of the aisle in saluting his outstanding record as he retires to private life, and I extend my best wishes to him and his charming wife Hazel, for good health and abundant happiness in the years ahead.

THE ARGONNE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. HUNT. Mr. Speaker, a short time ago E. Sheldon Graeff, of Stratford, N.J., presented me with a beautiful poem entitled "The Argonne." It is an emotional piece and, at this time of year, as we approach the Christmas season, it would be well for each of us to remember and read this stirring reminder of things gone by. It was my intent to publish this poem on Veterans Day, but due to the pressure of business I withheld it and on the advice of my good wife decided to publish it just prior to Christmas Day.

Mr. Graeff is a gentleman of considerable note and is an outstanding member of the community of Stratford, N.J. His contributions to mankind will long be remembered. Mr. Graeff's poem follows:

THE ARGONNE

God created a forest sublime,
Of stately trees twixt spruce and pine;
Their needles fill a quiet glen,
On a rock-strewn slope hid the "Black Bear" den.

Soft streaks of sunlight beam,
And sparkle on a mountain stream;
The top most limbs to the blue skies tower,
And gently shade the woodland flower.

When his wondrous work was done,
Man called it "The Argonne";
This place on Earth so picturesque,
Now a blackened skeleton so grotesque.

Where once was heard the whip-poor-will,
Now rings with cries of man's urge to kill;
From the "Lost Battalion" a pigeon flew,
A sniper's shot it's feathers askew.

The crystal stream where one's thirst could quench,
Runs red with blood stink and stench;
The fragrant smell of wooded air,
Now polluted with burning flesh and hair.

Charred boughs smouldering in the moss beneath,
Lies a Captain's sword still in its sheath;
From a thicket bolts a frightened stag,
And bounds o'er a blazing flag.

In the shattering crash of shot and shell,
Brave men endured the fires of "Hell";
Mid the thunderous roar of "Big Bertha's" din,
A soldier prays from his soul within.

Both friend and foe lie side by side,
To be free men in battle died;
And far up in the darkened sky,
One could hear the Buzzards' cry.

Were their deaths to be in vain?
Or were men to march to war again?
There are some still here but most are gone,
Who still remember "The Argonne."

A WALK ON THE SOUTH SIDE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. GAYDOS. Mr. Speaker, for those of my colleagues who would relish a taste of "old world" atmosphere in the course of modern-day living. I call their attention to the following article which describes the South Side of the city of Pittsburgh.

Written by Margie Carlin and published by the South Side Chamber of Commerce, the article accurately describes the mixture of old and new in the community today. Mr. Speaker, I invite my colleagues to enjoy "A Walk on the South Side":

A WALK ON THE SOUTH SIDE

(By Margie Carlin)

It isn't true that you need a passport to cross the 10th Street Bridge into the South Side, but sometimes visitors get that impression.

South Side is one of Pittsburgh's oldest neighborhoods and perhaps the one most insulated against change.

The Old World atmosphere persists, and you still can hear greetings in Czech, Hungarian, Ukrainian, Serb, Polish or some other Middle European tongue.

Kiszki, kielbasa, holubki and pieroghis (sausages, stuffed cabbages and stuffed dumplings) are standard fare, and the old style bakeries offer special Slavic breads and cakes at holiday times.

Much of the social life still revolves around the area's nationality churches—among them, St. Mary's Russian Orthodox, St. Joseph's and St. Adalbert's (Polish), St. Peter's (German), St. Matthew's (Slovak), St. John the Baptist Ukrainian Church and the oldest church in the area, St. Michael's, founded in 1848 by German immigrants.

South Siders also group in clubs for drinking and socializing, among them Serbian, Slovak and Ukrainian. The Polish Falcons even offer a small museum about Polish history in their building at 97 S. 18th St.

South Siders call the level two-mile stretch along the Monongahela River the "flats" and its narrow streets are lined with Pittsburgh's greatest concentration of preserved 19th-century houses and churches.

The area was settled by workers from the British Isles and Germany, who came during the last century to work in the mills and factories along the river.

They built the sturdy brick row houses along Sarah, Jane and the other streets and ways on the South Side, and in the style of the period, trimmed the structures with carved window frames, door lintels, brackets and other fanciful details.

The area was fortunate when the second wave of immigrants took over. After the original settlers became a little more affluent and moved to the suburbs, the houses were bought by Slavs. These people brought with them habits of thrift and cleanliness, and thanks to these virtues, the South Side has remained safe from the wrecking ball.

The village was founded in 1811 by Dr. and Mrs. Nathaniel Bedford, and called Birmingham after Bedford's English home town. It became South Side after annexation to the city in 1873.

The land originally had been deeded to Jane Bedford's father, John Ormsby, for Revolutionary War service.

The original plan included Carson Street—named for a Philadelphia sea captain friend of the Bedfords—and at one time, the street was the major road linking Pittsburgh with

Washington, Pa., and the great National Road.

Today, it still is a major artery, and every day, an endless stream of traffic pounds its way along the narrow street. City planners, restoration specialists and just plain South Siders would like the heavy traffic rerouted, but so far, any bypass is tangled in bureaucracy.

Carson Street, of course, is the key to any significant restoration of the area. For years, members of the South Side Chamber of Commerce, Citizens Council and the Pittsburgh History and Landmarks Foundation (PHLF) have been dreaming great dreams about old Birmingham—as they like to refer to the area.

They see South Side as a potential Georgetown, Society Hill or Beacon Hill, once the dilapidated boardedup buildings, tawdry plastic store fronts, sidewalk litter and other evidences of inner-city decay are removed from the 20-block-long business section.

"We almost had a couple high-rises a few years ago, but it fell through," she said. "This was made for the future of the South Side. If the older people could move into apartments, it would open up housing for young couples, and we'd have new blood here."

She said that the older South Siders had been eager to move into modern apartments near their familiar shopping and churches.

HOUSES HARD TO FIND

"Houses for rent or sale on the South Side are practically nonexistent. You just try to find one. If a house does open up, it's sold almost right away to a friend or relative."

One of the lucky "outlanders" who has found a nest right on East Carson Street is Mrs. Laura Pence. She moved into the area three years ago from a pleasant suburban home in Carnegie.

"My friends all thought I'd lost my mind," she says, "because this place was in such awful shape."

Mrs. Pence bought a three-story building and apartment house at 1813 E. Carson as an investment, and a smaller house in the rear for herself.

"I liked the old, undeveloped feeling of the South Side, and I toured all kinds of city neighborhoods before I made up my mind. This place was so rundown, that a friend told me he'd do me a big favor and burn it down—but I'm lucky he didn't. I just love the convenience of living here. Besides, it's a well-built place. You should see the cellar and joists in this place—just fantastic."

Mrs. Pence sold her car, and now enjoys shopping at nearby markets on foot. She thinks city living will be on the upswing again, and feels South Side might become even a fashionable place to live.

Making the South Side "fashionable"—keeping its architectural beauty intact while moving the business district and housing into swinging contemporary times—is a major concern to South Side leaders.

GERALD M. "JAY" CHERRY

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mrs. MINK. Mr. Speaker, the untimely passing of Jay Cherry at the end of October this year comes as a great loss to the many people here on the Hill and in the executive branch who had the opportunity and good fortune to work with him and make his acquaintance.

Jay Cherry had served with the Federal Education Impact Aid program

from 1952, when he came to Washington from Nebraska, and had been its Director since 1968. His program helps school districts compensate for the presence of tax-exempt Federal lands and the burden of providing free public education to 2.5 million children of military and civilian Federal employees. It also, among many other things, restores or replaces school facilities destroyed or damaged in natural disasters. As anyone who knows the legislation can testify, there are few aid-to-education programs of greater administrative complexity than this one Jay administered.

His mastery of the program and his energies in carrying it out were extraordinary. But what was perhaps even more memorable to those of us who knew him were his absolutely unflagging good nature, balance, and good sense under pressure. He was the kind of administrator for whom the taxpayers could well be thankful, and a first-rate human being as well. Self-effacing. Highly effective. A gentleman whose passing brings sorrow to us all. We join together in extending our heartfelt sympathy to his wife, Fern; their son, Gerald L.; and two granddaughters, Diana Elizabeth and Alexandra Caroline.

KIWANIS CLUB OF TAUNTON CELEBRATES 50 YEARS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, the members of the Kiwanis Club of Taunton, Mass., gathered together in Swansea to celebrate their 50th anniversary on December 8.

For 50 years the outstanding members of the Kiwanis Club of Taunton have dedicated themselves to service projects for the entire community. Their continuous endeavors to improve community life through the spirit of good fellowship deserves national recognition.

I am submitting to the RECORD some segments of the history of the Taunton Kiwanis and a list of the 1974 membership roster:

A BRIEF HISTORY OF TAUNTON KIWANIS CLUB, 1925-74

Early in February, 1925, the readers of the Taunton Daily Gazette were interested in the headlines that cried for their attention. The tragedy of Floyd Collins who was entombed in a sand cave in the bleak hills of Kentucky was a gripping story. Night after night the newspaper described the heroic efforts to reach the young man trapped some sixty feet below the surface until finally, after nearly three weeks of struggling to reach his body, the same men who had toiled for days shoveled back dirt and rocks into the shaft they had dug and made it the grave of Floyd Collins.

During that first week in February another front-page story told of a band of independent Seventh Day Adventists called Rowenites who assembled in Patchogue, Long Island, and prayed together in preparation for the millennium that was expected to take place at midnight on February 6. To make ready for the hour when they would

be transported to heaven, this little group of believers got rid of all their worldly goods and dressed in their Sunday best to await the crack of doom. The prediction of the Rowenites never came to be, and, in a day or so, it was no longer news for the press.

There was, however, an event that took place in Taunton in February that, while it may not have been of national import, it was the beginning of an organization that would exert a lasting influence on the community. The story of this event appeared on the last page of the Taunton Daily Gazette on February 5, 1925. It stated that "the Taunton Kiwanis Club started with a bang! when in the presence of two hundred visiting Kiwanians, Rotarians, and Lions and other invited guests it received its charter and became a part of an international organization."

Plans for the new club started during the year 1925, when a group of civic-minded men met in the office of John W. Robertson on School Street to start a service club. About a dozen men worked hard to organize what was to become the Kiwanis Club of Taunton. The first luncheon meetings were in the old Taunton Inn on the northerly side of the Green. A nominating committee prepared a slate of officers, and the necessary steps were taken to form a permanent organization. Then, on February 4, 1925, Charter night was observed in Odd Fellows Hall on Court Street, and the Taunton Kiwanis Club became a part of Kiwanis International. Taunton was the 50th club to be formed in the United States.

Let us look at the record to find out what the Kiwanis Club had done during their first quarter of a century to live up to its motto, "We Build."

The Milk Fund was started in 1927.

Concerts by the High School Band and Girls Glee Club and Grammar School Chorus brought attention to what the young people were accomplishing in the field of music.

An annual award to the winner of the Grammar School Baseball League stimulated sports competition.

Bus loads of children were sent to summer camp.

Scholarships were awarded high school graduates to help them further their education.

Money was furnished to support 4-H Club projects.

Kiddies Day honored the young children of the city.

Funds were raised for underprivileged children.

A Tag Day for the Infantile Paralysis Fund. Joint activities with the community in civic projects.

This included an aviation sign on top of the freight depot.

This list is not complete, but it does indicate some of the good work done by the men of Kiwanis.

As stated above, the club motto is "We Build", and with that in mind the directors over the years have spent many hours devising ways and means of raising money to support the many activities of the club. The fund-raising methods include Tag Days, entertainments, sporting events, gumball dispensers, fair booths, Christmas trees and sportsman shows.

The first Tag Day was on February 19, 1934, when Tauntonians were given the opportunity of contributing to the Kiwanis Milk Fund. A group of fifty school students, under the direction of Miss Margaret Tufts, Dean of Girls at Taunton High School, distributed the tags and collected \$133.52—not a great sum by today's standards, but it was an auspicious start. In the years that followed the amounts increased markedly.

The Milk Fund was the first Kiwanis activity to serve the underprivileged child, and it dates back to a meeting of the Directors on April 4, 1927, when Dr. Frank Murphy, School

Physician, and Mrs. Thomas E. Dunn, School Nurse, described health conditions among school children and the special need for milk in the diet of children. The Directors immediately voted to donate free milk to the needy children in any two schools selected by Dr. Murphy. It was not long after this meeting that Kiwanis was distributing more than 50,000 bottles of milk annually. The milk project is perhaps the best-known service of Kiwanis to the underprivileged child, and it certainly was a great help during the depression years. For example, in 1932 the treasurer of Kiwanis paid out \$1,313.76 for milk given free to the needy children.

A great deal of the work done by Kiwanis is a result of the activities of committees. From time to time membership on these committees change, and sometimes the name and function of the committee itself changed; but one Kiwanian ideal that does not change is the interest it has in our youth. From the very beginning of Kiwanis in Taunton the needs of youth have been recognized, and something has been done about it by the Taunton club.

The first object of Kiwanis as stated in the constitution that was adopted here in Taunton fifty years ago gave primacy to the human and spiritual values of life. It still is the first objective, and Taunton Kiwanis will continue to build on that sound foundation.

Taunton Kiwanians have accomplished much during the past fifty years. The club has been the source of many good works that have benefited the entire community. There remains, however, much more to be done and many challenges to be met. Be assured that Kiwanis will do what is needed in the spirit of good fellowship. We are confident that the next fifty years will see the building of a bigger and better community as a result of the efforts of this dedicated service club—Taunton Kiwanis.

ROSTER OF 1974 MEMBERSHIP

William L. Williams, Jr., President.
Frank W. Carroll, First Vice-President.
David E. Latham, Second Vice-President.
Lincoln Davison, Treasurer.
Lawrence E. Ross, Secretary.
David E. Latham, Assistant Secretary.
Robert L. Cammarata, Immediate Past President.

Rev. Samuel J. Riggs, Chaplain.

Directors

Paul M. Berry, William J. Brelsford, Robert E. Costello, Edwin F. Devine, Jr., William R. Drummond, Donald T. Lachapelle, Edward T. McCaffery, Fred M. Whitehouse, and Charles J. Williams.

Members

Theodore Aleixo, Bertram J. Antine, Edward J. Almeida, Jr., Normand L. Belanger, Dr. William H. Bennett, Paul M. Berry, Dr. Fred R. Blumenthal, William J. Brelsford, Michael J. Brennan, Robert L. Cammarata, Frank W. Carroll, L. Robert Clift, Manuel Costa, Robert E. Costello, Henry G. Crapo, David Dahlroos, Richard W. Davidson, Lincoln Davison, John H. DeSilvia, Edwin F. Devine, Jr., T. Howard Donahue, William L. Donle, Joseph W. Dooley, Manuel J. Drummond, William R. Drummond, Manuel J. Gallego, Harold H. Galligan, John Glazebrook, Ralph M. Handren, David E. Hoxie, and David R. Hutchinson.

Joseph W. Kirker, Donald T. Lachapelle, David E. Latham, P. Frank Leddy, Edward T. McCaffery, John G. Nelson, Dr. William H. Niedner, John F. Parker, Philip R. Perra, George M. Powers, Jr., Joseph G. Quill, Albert F. Richmond, Charles J. Rocheleau, Lawrence E. Ross, Charles E. Rouleau, Wilfred V. Saint, Arthur J. Shaw, Alfred P. Silva, Stephen J. Stepanaitis, Richard J. Tobin, Leslie A. Wheeler, Fred M. Whitehouse, Charles J. Williams, and William L. Williams.

Honorary members

Rev. Samuel J. Riggs, Warren L. Ide, Michael F. Strojny, and R. Darrell Lambert.

December 14, 1974

**RULES COMMITTEE VOTES TO
DEFER ACTION ON STUDY OF
RIVER**

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. MIZELL. Mr. Speaker, on Wednesday of this week, the House Rules Committee voted to kill legislation I have proposed to study the ancient and beautiful New River on the North Carolina-Virginia border, to see if it qualifies for the permanent protection of the National Wild and Scenic Rivers Act.

By a vote of 13 to 2, the Rules Committee voted to defer action on the bill, despite the fact that the committee knew full well their deliberate inaction spelled doom for the river and for the people who live on its banks.

Failure to pass this bill will allow the Appalachian Power Co. to construct a massive power project that will destroy the river, which has flowed free and clear for 100 million years, and flood 38,000 acres of scenic and fertile farmland.

Harry Reasoner, the very distinguished and thoughtful co-anchorman of the ABC Evening News, had an editorial comment last night on the Rules Committee's decision, and I believe it is important that every Member of this House pay attention to what Mr. Reasoner had to say.

Following is the text of his commentary:

As we reported earlier, the House Rules Committee today voted to block action this session on a major tax bill.

That committee has been busy indeed, tidying things up so that Congress can take its first really long vacation in almost two months, and an action it took yesterday may tell even more about its dedication to the public weal.

Yesterday, it voted 13-2 to prevent the full House from considering a bill to save a river on the Virginia-North Carolina border. The bill that the House won't see would prevent the damming, for a private power plant, of one of the few remaining wild and clean rivers in the east.

I don't pretend to be an expert on the case, and I am sure that as in most stories, there are two sides. But both North Carolina's Senators—one Democratic, one conservative Republican—were against the dam. The State of North Carolina is formally against the dam. Secretary of the Interior Morton is against the dam. So the evidence in favor of at least giving the House a look at it would seem to be overwhelming.

And the evidence that we still have the same old Congress, responsive to the citizens in public statements but to special interests in the quiet of committee rooms, that evidence would seem to be overwhelming, too.

Only two of the thirteen members who voted to bury the bill won't be back for the next session. This is one of those stories where the men who make the decision usually do so pretty anonymously. Even the New York Times, which has strongly supported the bill editorially, did not list the thirteen men who voted so arrogantly and so mysteriously.

I think this may be a case where a lot of people would like to know their names, so that credit may be given where and if it is due.

The two representatives who voted to let the House look at the measure are Chairman

EXTENSIONS OF REMARKS

Ray Madden of Indiana and Democrat Richard Bolling of Missouri.

The eight Democrats who voted to kill the bill are James Delaney of New York, B. F. Sisk of California, John Young of Texas, Claude Pepper of Florida, Spark Matsunaga of Hawaii, Morgan Murphy of Illinois, Gillis Long of Louisiana, and Clem McSpadden of Oklahoma. All five Republicans voted to kill. They are Dave Martin of Nebraska, John Anderson of Illinois, James Quillen of Tennessee, Delbert Latta of Ohio, and Del Clawson of California.

Nice work, gentlemen.

To Mr. Reasoner's very telling comments, I would add only the following: About 3,000 God-fearing, hard-working people petitioned the Congress to hear their case and consider their plight before the swift hand of destruction could come down on their river and their homes. Their plea fell on deaf ears.

Is this really the people's House? If so, which people?

**FIRST SAVINGS CELEBRATES
50TH ANNIVERSARY**

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. PATTEN. Mr. Speaker, I have some good news. I attended the 50th anniversary of the First Savings and Loan Association located in New Brunswick, N.J. Their deposits are 10 times what they were 10 years ago. I was with life-long friends, and I heard Louis Friedberg who was the dean of the 50 years tell how happy the group was.

I am delighted to share this speech with my colleagues because this organization bought millions of dollars worth of mortgages from our New Jersey Community Affairs Department which has made a good showing for new housing:

LADIES AND GENTLEMEN AND HONORED GUESTS: Thinking back over the last 50 years of my life, I have come to appreciate what the building and loan business and the savings and loan business has meant to the United States, and in particular, I think of the impact upon New Brunswick, New Jersey certainly in 1924, we, the Property Owners Building and Loan, were not a major or even significant influence upon the economy of this little community on the banks of the Raritan.

Phil Brenner, Arnold Rosenthal, Sam Hodgeson, Harold Bruskin, Emil Klein and myself, were aware that homeownership on the part of our citizens was important. We believed that this could only be accomplished through the combined efforts of the citizens of New Brunswick.

Through serial plans we were able to achieve a measure of success not readily appreciated by the multitudes of today. Through the years of trials and tribulations, the depression, the post-war period, the days of our early insurance of accounts, our little association survived and worked for the benefits of New Brunswick, Middlesex County and its environs.

The efforts of men like Arnold Rosenthal, Philip Brenner, Terry Brenner, Harold Bruskin, Emil Klein, myself and the balance of the charter members, were not always appreciated, but these men spoke their minds regardless of the consequences. These men strongly quarreled over the virtues of

merger, federal insurance of accounts and even such a mundane question as to a ground floor location for our savings and loan association. Finally, a meeting of minds was accomplished. At this point, the association qualified for insurance and the property owners building and loan and the Middlesex County building and loan merged under the leadership of George H. Gordon. From this humble beginning of \$1,200,000, the association obtained the services of George H. Towers as executive vice president and over the next 14 years, the association prospered, and opened a branch in North Brunswick, and a branch office in Edison Township. The performance of both offices supported the directors' belief in the development of the Middlesex County area. At this point with the acquisition of the Edison office, the association acquired the valued services of Wallace Steinberg, Bill Foley and the men of the uniform savings and loan.

After opening this office in Edison, Mr. Towers retired to Florida and the association engaged LeRoy R. Terry as president. Shortly thereafter, the Security Building and Loan was acquired by First Savings and Loan. This advent produced a new office in Somerset. The Somerset office further re-deemed the board's thinking in the expansion within their own immediate region. The board has subsequently looked to new and greater fields as New Jersey has moved New Brunswick from the Hub city to the Hub state.

With the advent of increased commercial activity in the Middlesex area, the board intensified its efforts in this region and has sought new markets to deliver the know-how of First Savings to a larger and more sophisticated market.

Because of the dedication of the men who had belief in First Savings, I would ask that you all rise for a moment of silent prayer for those men who have given to our association and who are no longer with us. (pause)

Thank you ladies and gentlemen for your moment of remembrance and to you who will be here when we celebrate our 100th anniversary, please remember the humble beginning of our association.

I want to thank all of the board of directors for their wonderful cooperation while I was president. I also want to thank the president, officers and all personnel for their faithful service in helping to make this celebration possible.

May God bless you, one and all.—LOUIS FRIEDBERG.

**THE RETIREMENT FROM CONGRESS
OF H. R. GROSS**

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 9, 1974

Mr. McFALL. Mr. Speaker, it is a privilege to join my colleagues in expressing appreciation for the gentleman from Iowa (Mr. Gross). For 26 years, H. R. has served as a watchdog of the U.S. Treasury. During this time, with the constant help of his wife, Hazel, H. R. has tirelessly studied all legislation. He has combined the "who, what, when, where, why" of his journalistic experience with a "how much" perspective as a citizen, enforcing that sense of proportion during House deliberations and particularly during the consideration of spending measures. As a Member of Congress, he pursued even more vigorously and effectively that scrutiny of public

affairs and the exercise of fiscal responsibility that he had championed during his long service as a radio news broadcaster at home in Iowa.

The gentleman has been a lifelong advocate of financial responsibility by the Federal Government and a consistent opponent and seeker out of wasteful Federal spending and practices. Not the least of his criticism has been extended to unwarranted trips abroad by Members of Congress. H. R. himself has not been out of the country since World War I when he served with the American Expeditionary Forces in Europe. The gentleman also served with General Pershing during the Mexican border dispute just before U.S. entry into the war. That qualifies him for one of the Nation's most exclusive veterans' groups with only 445 members.

It is therefore fitting—and perhaps with just a touch of retribution—that some friends in the House are giving the Grosses a trip to Paris—a “junket” that I hope Hazel and H. R. will thoroughly enjoy.

It is a profound tribute to H. R.—a measure of his stature—that even those whom he has opposed on legislation admire him and like him. Personally, I have enjoyed my floor exchanges with H. R.

I remember how impressed I was, when I first came to Congress, with the stern-visaged man who fired off one disconcerting question after another at floor managers who became increasingly uncomfortable under the barrage. It was a formidable and—to a new Member—even intimidating performance.

But I kept looking at him and studying him, and finally I figured it out. So one day, I said to the gentleman—as he fixed me with a penetrating stare worthy of a representative of the Hawkeye State:

“I know what it is. You always appear very stern and hold your face so stiff. But your eyes give you away. You can't stop them from sparkling. You hold your features so stiff to keep from smiling and showing what a good time you're having. But you can't control your eyes.”

When I confronted him with that, his face opened into a huge sunflower of a smile and he burst into a huge laugh. I had found out his secret. And over the years, I have discovered what a wonderful sense of humor H. R. really has. He loves to hear good stories, and he loves to tell them. Despite that stiff exterior, he is one of the most congenial Members of the House. His wit makes debates not only challenging and informative but often humorous. He has made interesting even announcements of the schedule and recesses.

As H.R. leaves the House, the floor will be less challenging and bills less well examined. Few House colleagues would neglect their homework, knowing they would have to face the gentleman's sharp inquiry on the floor the next day.

The taxpayers most of all will miss him. Certainly, Congress as an institution and the Nation are the poorer for his departure. All these years, H. R. has been the conscience of the Congress. He has earned his place in the history of this post-World War II era as a voice for constancy and responsibility in a period of unprecipitated and sometimes unsettling change.

Throughout it all, he has been a force for stability and prudence and uncommon good sense.

Perhaps one of the highest compliments I can pay my friend from Iowa is to say that his sense of purpose, his integrity, his high moral principles, and his wry, good humor have never changed. Few of us have escaped the sting of his pointed inquiry; fewer still would not agree that their legislation has been the better for it.

The gentleman from Iowa never forgot the mandate of the people who 13 times elected him to the Congress. He exemplified the highest concepts of the public trust with which the people have invested him. He is all that the people can expect of their Congressmen.

Now he has chosen to leave the office. I cannot imagine that his retirement could be anything but active and productive, and as acute as ever. I extend my friend my congratulations on his long and exemplary career in public service and wish him and his wife, Hazel, the very best in whatever they may choose to do.

SENATOR STENNIS' WASHINGTON REPORT

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. LOTT. Mr. Speaker, those of us in Mississippi have learned over the years that my colleague and friend, Senator JOHN STENNIS, speaks with authority. His recent “Washington Report” to the people of our great State of Mississippi is typical of his insight.

I call this report to our attention, because I think it is a sensible and clear-thinking analysis of our Nation's problems. I highly recommend its contents to my colleagues in the House and hope that we heed its message:

SENATOR STENNIS' WASHINGTON REPORT NOVEMBER 27, 1974.

DEAR FRIEND: During the latter part of October and early November, I literally traveled to the four corners of Mississippi, visited in 21 counties and talked with hundreds of Mississippians. It is always both enjoyable and stimulating to return home, and this visit was especially so.

I return to Mississippi as often as possible to keep in touch with the people at home and determine first-hand face-to-face what the problems are and what the people consider as the possible solutions.

No matter what particular set of circumstances anyone mentioned to me during my trip they all went back to one basic topic. The people are deeply concerned about this economic upheaval that is absolutely destroying the ability to plan ahead and the high cost of living which is beyond all reason.

The economy is slowing down. Jobs are being lost. Prices are out of proportion and the people are expecting the Congress and the President to do something about it. I was greatly encouraged to learn that the people understand that there is no magic wand that can be waved to cure all these evils. However, this understanding is certainly no excuse for further delay.

I have warned about inflation and tried to do something about it for years but I came

back to Washington more determined to make an all-out effort to get the Congress—both the House and the Senate, both Republicans and Democrats—lined up to work together to do something about this raging high cost of living.

This is not a political question. This is a matter of survival for our people and our economy. I found that the people are willing to do their part. It is now up to the Congress and the President to take immediate steps to solve these problems.

COOPERATIVE EFFORT SOUGHT

During my tour of Mississippi, I realized more clearly that we simply must dig deeper to get all the facts about the real reasons for these galloping high prices.

People would ask me: “What are the facts?” When I could not tell them all the facts they would look at me in disbelief. Unless we in Congress develop these facts and let the people know, the Congress will fall even further in the esteem of those who elect the members.

I am convinced that neither the Congress nor the President can solve these problems alone. For this reason, I have proposed a joint effort by both the Legislative and Executive branches of the federal government to conduct an in-depth investigation into all phases of the economy.

I first made this proposal in a resolution to the Democratic Caucus on November 21. It was unanimously adopted. Later I made the proposal on the floor of the Senate.

The purpose of this recommendation is to bring the Congress and the President together, first on the facts, then together on questions of policy and finally on legislation. This will be a search for the full facts on all major aspects of the economy for use by the Congress, by the President and by the public at large.

I would propose that the investigation dig deeply into several specific areas:

(1) *Raw Material/Retail Price Spread.* A perfect example of this situation that has a tremendous impact in Mississippi is the difference between the cost of beef on the hoof and a pound of beef on the grocery shelf. In the past few months that spread has been as high as 56¢ per pound. At the present price of beef on the hoof, many cattlemen cannot even make enough money to pay for their feed, much less the other costs they must recover. If the farmer doesn't start getting a larger part of that spread, he is going to be out of business and the public is going to be out of beef. At the same time the housewife is having to pay record high prices. We simply must know why!

(2) *Possible Price-fixing Conspiracies.* There is a serious question in the public's mind as to whether or not conspiracies have played any part in the tremendous escalation of prices of some common items in the market place. Although I don't charge, at this time, that such conspiracies do exist, I believe that an in-depth study will disclose at least the probability of some anti-trust violations. Certainly, hearings should be held as to the conditions that create monopolies, whether there is evidence of conspiracy or not.

President Ford said in his October economic message to Congress that he would seek vigorous enforcement of anti-trust laws. The Attorney General has supported this approach and I urge prompt prosecution of any offenders.

(3) *Impact of Foreign Trade.* With ever rising prices and continued projections of possible shortages, we must fully explore the effects of import and export policies on domestic prices, commodity trading and foreign participation in these matters and the operation of corporations in many different countries. There is much suspicion in the public's mind about these effects.

(4) *Multiple Pricing Policies.* One area of great concern to everyone who shops at the

grocery store and other retail outlets is the re-pricing of items already on the shelf. It is not at all uncommon for housewives to be able to peel as many as five or six price labels off the same product. Each sticker carries a higher price than the preceding one.

Various explanations have been heard about averaging stocks on hand with new shipments, but the fact remains that this is a subject of public suspicion and all the facts need developing.

SUGAR PRICES MUST COME DOWN

The prices our citizens are having to pay for sugar are an outrage. Although there is considerable disagreement about what exactly caused these tremendous increases, there is no disagreement that the consumers are the helpless victims of circumstances beyond their control and they are entitled to prompt relief.

There is a strong and growing demand for sugar worldwide which has been accelerated by the increased world population and the enlarged purchasing power of the peoples of many nations of the world. In each of the past four years, sugar consumption has outstripped production on a world wide basis.

In this regard, I have urged the U.S. Attorney General to fully investigate the possibility of anti-trust violations and he has announced that such an investigation is underway. I sincerely hope that the Department of Justice will leave no stone unturned in this matter.

This year there have been crop failures in many areas. There has been speculation that unlawful manipulation of the previously unregulated commodities market played a significant role. This commodity exchange was brought under regulation by a bill signed into law on October 23, 1974. Although inflation has played a major role, it seems that some of the sugar companies are reaping profits far beyond what is considered fair and reasonable.

The Council on Wage and Price Stability has started hearings into the sugar situation and a House Agriculture Subcommittee has hearings scheduled for next week. I urge both groups to make their reports as soon as possible so that necessary actions may be enacted.

In the long run the only solution to the rising cost of sugar will be to increase both production and refining capacity in the United States. Normally we produce 55 percent of the sugar we use. This year we will import over half of the sugar necessary to meet our demands. The booming worldwide demand for sugar has pushed the world price up and we are having to pay the additional amount on imports.

I am sure that domestic producers will recognize the need to increase production and respond accordingly. Likewise, I am not convinced that the present confusion over the high price of sugar will continue much longer. However, I am convinced that there are too many unknowns remaining about the current situation, including the role of the speculators in the commodity market. Some of them may be in for a rude awakening when all the facts are developed. I will certainly continue my efforts to secure a full and complete investigation.

Sincerely your friend,

JOHN C. STENNIS,
U.S. Senator.

SOME OF OUR FREEWAYS ARE MISSING

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. EDWARDS of California. Mr. Speaker, Joseph C. Houghteling is a

former member of the California Highway Commission and currently serves on the San Francisco Bay Area Conservation and Development Commission and the Metropolitan Transportation Commission. The following article by him takes a very interesting look at what is happening to our freeway system as we change our priorities to public transportation systems:

THE END OF AN ERA—SOME OF OUR FREEWAYS ARE MISSING

(By Joseph C. Houghteling)

There may be those who think this title a bit overblown, something the mid-1920s *New York Graphic* might have displayed in type intended only for the announcement of Doomsday. Actually, it's modest. Of equal validity would be "California's Missing Five Billion Dollars," an eye-catcher that would gain attention even in these days of high crimes and misdemeanors.

For as beauty is truth and truth, beauty, freeways and dollars are interchangeable. In the heyday of freeway building during the 25 years after World War II, having dollars was having freeways. Indeed, for ardent admirers of the Santa Monica and the Embarcadero, the Long Beach and the Nimitz, there was even the beauty-truth relationship; the beauty of freeways was the truth that they facilitated the growth that made California first among the then 48 states.

In the mid-1960s, when I was on the California Highway Commission, it was believed with justification that there was a perpetual-motion money machine in the back room. This marvelous mechanism cranked out gas-tax revenues that constructed freeways that promoted higher consumption of gasoline that generated more gas-tax revenues to construct more freeways *ad infinitum*. Platoons of surveyors were dotting California's landscape with straight-lined markers, presaging the construction to follow.

During that time, the public issues, disputes, hearings and delegation presentations to the Highway Commission concerned freeway-route adoptions. In 1965 alone, 158 miles of new freeway alignments appeared on California's map. Once the routes were adopted, attention turned to the highway budget that inevitably would transform the line on the map into concrete, asphalt, and opening-day ceremonies.

Communities petitioned and received the blessings of prompt adoption of freeway routes, regardless of the fiscal fact that construction was a task reserved for the next generation. But the early positioning of routes allowed local development planning to proceed, using freeway and interchange locations as base lines; the promise of future freeways became the reality for immediate decisions. Subdivisions, industrial plants and shopping centers came into being long before the freeway; to doubt its ultimate construction was to question tomorrow's sunrise.

Well, the sun continues to rise, but the marvelous perpetual-motion money machine is gone, taking with it, perhaps permanently, many if not most of the freeways of the future. Who took the machine? Certainly the Arabs or stagflation, or both, depending on which economist you believe, are major dismantlers.

Gas taxes for highway purposes are based on gallonage, not price—seven cents per gallon for the state, four cents for the "feds." Thus as gasoline consumption has been lessened by shortages and higher costs, the endless sequence of new freeways resulting in new highway revenues has been broken on the income side.

Even with admittedly "many large unknowns in the future," a presentation given the Highway Commission in August estimated 26 percent (about \$350 million) less in total resources annually available for all

highway purposes over the next several years than was forecast in 1972.

Not only is gas usage an income factor, but changing allocations from highway trust funds have been significant. Even before the present jolt of gasoline constraints and stagflation, the amounts of funding available for freeway construction have been eroding. On the federal level, interstate and urban highway funds now also go for transit capital outlay; on the state level, Proposition 5, passed by California voters in June, allows diversion of up to 25 percent, again to transit capital outlay.

Lest antifreeway adherents be overly pleased by the "missing freeways," let there be the caution that their disappearance means more than fewer miles of concrete. For the marvelous perpetual-motion money machine has also been a source of funding, and is looked to for further funding, for the alternate mobility offered by public transit.

Were the income squeeze and uncertainties not enough, freeway construction costs are rising at an angle that would challenge an experienced alpinist. In the first three months of 1974, the construction dollar's value eroded 32 cents. Over an even longer span, assuming a larger view of the past tells more of the future, the California construction index is one of the growth shocks of our time. When I left the Highway Commission on January 1, 1967, the index was at 100; seven and a half years later, on May 31, 1974, it was at 219.

What this had already done to freeway planning and construction can more than be imagined. Early in 1973, it was estimated that \$7.8 billion would be available for construction of projects in the state highway program over the eight years beginning July 1, 1975.

Then last May, a new forecast, revised in the light of intervening events, showed only \$3.9 billion would be available for the same period. As if this reduced amount were not bad enough news for the Highway Commission to bear, the added second factor of inflation lowered the estimate to only \$2.7 billion worth of actual construction during the eight years.

By most measures, \$2.7 billion is a considerable sum, unless it was once expected to be \$7.8 billion. The \$5-billion difference is what made the freeways disappear; missing money means missing freeways.

Unlike the ancient emperor who decapitated the bearer of bad tidings, the Highway Commission has confined itself to lopping off adopted freeway routes. Since unpleasant chores are best performed under the mantle of an agreeable name, the process is called "recycling," a term used more happily in the environmentalist jargon.

One of the significant recyclings does have a cheerful environmental tone. Lake Tahoe's westside freeway, Route 89, has been through the process—the adopted line has been rescinded and the acquired rights-of-way offered for sale. For many, this action recalls the long, heated arguments of the early 1960s over the route's missing link in the unique Emerald Bay area. With Route 89 freeway adoptions to both the north and south of the D. L. Bliss and Emerald Bay state parks, the debate centered on the lower bridge route versus the upper hillside location, with a tunnel sometimes thrown in as a diversion.

Few thought then the Route 89 freeway might never be built. A highway engineer predicted at a 1961 Tahoe hearing that it would be constructed sometime after the next five years; that wasn't a definite time, of course, but it was far from saying "never."

Eligible for the recycling process, like Route 89, is any freeway-route adoption for which it is unlikely construction funds will be found in the next two decades. As of August this year, the commission was considering 20 present freeway-route adoptions for

recycling, the "bottomline" of the process being disadoption. These represent 177 miles of freeway, mostly rural, which if constructed would cost \$770 million at current projections.

In addition, there are 70 more unfinanced freeway-route alignments in the present 20-year Highway Program Guide. These are in limbo, still shown as adopted lines on the planning maps, but lacking any foreseeable funding. As with most future freeways in urban areas, their fate is tied to transportation planning in the various regions of California, where regional plans are to become part of the State Transportation Plan directed by Assembled Bill 69 of 1972.

A note in passing—"disadoption" by the commission is different from legislative action removing a route from California's Freeway and Expressway System, although the end reality is quite similar.

Responding mostly to local concerns, and usually with considerable local publicity, legislative bills have removed various routes from the F&E category. Route 1 along the Los Angeles coast was once to be a freeway; it's now in the more humble highway system in most areas. Two proposed freeways, the causes of San Francisco's "granddaddy" freeway revolt of the mid-sixties, are gone from the higher status, the sub ends of the city's Embarcadero and Central freeways being monuments to this change.

Some indication of earlier legislative ambitions is that there are 12,333 miles authorized in the California F&E system. As of 1974, only 4,394 miles, a little more than a third, have been constructed or are in future budgets.

Returning to what the Highway Commission is now doing, it's useful to know the biography of one unconstructed freeway route. Unlike the attention given when the legislature removes a route from the freeway system, there seems less general awareness of the consequences of the financial squeeze on construction funds, even though it's all on the public record. Neither recycled nor financed in the foreseeable future is a major section of Santa Clara County's Route 85. Part of the route is a real-life freeway, connecting Bayshore, Route 101, with Junipero Serra, Interstate 280, and going a little farther before spilling traffic onto a city street.

The 19-mile unfinished portion, known locally as "The West Valley Freeway," passes through Cupertino, Saratoga, Los Gatos and San Jose before rejoining Route 101 south of San Jose. The alignment was adopted by the Highway Commission in 1956 with little controversy; most of the mileage went through open land, the enormous growth of Santa Clara County just then beginning.

The freeway was conceived as a westerly bypass of San Jose, giving mobility between largely residential areas and employment centers to the north and south. Few of the homes and plants existed in 1956; the adoption of the route, though, stimulated their construction as part of the golden future envisioned for the "Valley of Heart's Delight," even matching Los Angeles!

Once the line was there, the story of Route 85 turns to funding, and it's an Horatio Alger tale in reverse. In the eight-year projected Planning Program the Highway Commission adopts annually as a construction schedule, Route 85 first made a cameo appearance in 1965, listed for construction "after 1970-71."

In 1967, there was some firming: one mile was scheduled for 1971-72; two miles for 1974-75; the balance "after 1974-75." In 1970, backward went the financing: two miles were to be built in 1974-75; 16 miles "after 1978-79;" and foretelling an ominous future, one mile was left out completely.

These changes were largely influenced by higher priorities given to other projects, especially completion of the interstate free-

ways in the area. Once Route 85 lost its place, however, the present funding bind had a maximum impact; by 1974, all portions were left out of the Planning Program except for two miles "sometimes after 1982-83."

Looking beyond the eight-year plan, the less definite 20-year Highway Program Guide suggests Route 85, once to be an eight-lane freeway, should be "rescoped" downward. There might be a five-mile, four- to six-lane freeway at the south end, connecting Route 101 with the still-to-be-built Route 87, the Guadalupe Freeway. The rest of the 14 miles might become just a four-lane expressway, a roadway design considerably more limited in size and capacity than a freeway.

The source of funding for even this "rescoped" Route 85 isn't resolved. For its part, Santa Clara County proposes to use some of its federal aid urban-road funds for the next three years to "protect the corridor" against private building within the alignment. Such local action will most likely keep Route 85 from being recycled, at least long enough for alternate plans to be considered. Since the county's development presupposed construction of the freeway, a need for mobility still exists along the line. To meet it, there is the concept that an expressway plus a transit mode will perform what once was to be the function of the noblest expression of the highway engineer's art, an eight-lane freeway.

What happened to Tahoe's westside freeway and what is happening along Santa Clara County's Route 85 are not exceptional; ask not for which freeway the commission recycles—it may be for yours, anywhere in California.

MICRONESIA AND THE DOD: A COSTLY LIAISON?

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. WON PAT. Mr. Speaker, in the November 27, 1974, issue of the prestigious publication, the New York Times, a most thought-provoking article on U.S. intentions in Micronesia written by two gentlemen, Donald F. McHenry and Ernest C. Downs from the Carnegie Endowment for International Peace, pointed out that few Americans are aware that this country is about to make its first territorial acquisition in the Pacific since 1898. Nor, are we aware, for the most part, that a direct consequence of this acquisition may place America on the hook for as much as \$2 billion.

The principle thrust of their well-written piece is to question whether Congress really understands what is transpiring 9,000 miles from its hallowed halls.

The administration is deeply committed toward the establishment of a multi-billion-dollar military installation in the Marianas. In exchange for these bases we have pledged to bring the estimated 15,000 residents of the Northern Mariana Islands permanently into the American political embrace. Our interest is not so much one of a sociological or moral concern: Rather, it is the desire to expand our strategic base of operations and thus prevent these islands from falling under the influence of nations less friendly toward us.

What the residents of these islands will gain is U.S. citizenship and access to

substantial Federal funds. What we get, is a major new military base 100 miles from Guam on the Island of Tinian. The remainder of Micronesia, the Caroline and Marshall Islands, with their 85,000 some residents, will be offered a less binding tie with America, more money, and within 15 years, independence after they have signed a mutual security pact with the United States.

Since the Spanish first came to our part of the world 400 years ago, Guam and its sister islands in Micronesia have been tossed and turned in the political winds, never knowing under whose flag we would land. First came Spain, then Germany, then Britain, America and then Japan, not necessarily in that order.

For the most part, Guam has been exceedingly fortunate as we have been under American rule since 1898. But for the most part of Micronesia the picture has not been so peaceful. After World War I, Japan moved in only to be kicked out by 1945. Since that time, we have administered Micronesia under a UN Friendship agreement. But they also need funds to develop and for the most part that money came from the United States.

In my previous comments on this subject, I have supported the efforts of my fellow Micronesians to improve their status. It is time that this country acted to resolve this last remaining question of sovereignty left over from World War II. I also support adequate funding by Congress to permit these people to improve their condition and, for the people of the Northern Marianas, most of them whom are ethnically and culturally related to the people of Guam, I welcome their efforts to acquire U.S. citizenship as we did in 1950.

Messrs. McHenry and Downs, however, question the propriety of this country expending huge sums at this time to build another military base so close to the major facilities on Guam. After Guam's tragic lesson in World War II, when we were invaded and conquered, I will always support a sound defense posture for this country but, can we truly afford and justify at this critical time, the expenditure of an estimated \$300 millions for yet another military base when we are cutting back on our funding of vital programs here at home?

Closely coupled with the question of expenditures is the methodology used in acquiring the Northern Marianas. As I have previously mentioned, Guam is a part of the Mariana Islands. When we were acquired by the United States, Guam was, unfortunately, forcefully separated from its sister islands and to this day the United States has made no effort at all to reunite us after 76 years. Even during the most recent round of discussions between United States and Saipan representatives, the matter of making the Marianas one family again was never broached.

Obviously, there is no way to be certain that unification would work out to everyone's mutual benefit. But, if the Federal Government will not assume responsibility for such action, then I shall be certain to bring it to the attention of

my colleagues in Congress when and if Commonwealth status for the Northern Marianas is considered.

What we intend to do in Micronesia and how much we intend to spend in the process is a matter of great interest for all taxpayers. I therefore urge my colleagues to give this crucial issue increasing attention in the months to come. In this context, I also urge that Messrs. McHenry and Downs' article entitled "Forcing Congress Hand on Micronesia" be read and I insert it in the RECORD at this time.

MICRONESIA AND DOD: A COSTLY LIAISON
(By Donald F. McHenry and Ernest C. Downs)

WASHINGTON.—Sometimes a little problem raises a large issue. This is the case with current Administration requests to increase authorized spending in Micronesia from \$60 million to \$75 million in 1975 and \$80 million in 1976. These requests amount to a back-door attempt to force Congress's hand ahead of time on the larger, sensitive issue of the United States' formal relationship to Micronesia, the western Pacific island group the United States has administered as a United Nations trust since 1947.

Few people are aware that after five years of negotiations the United States is close to its first territorial acquisition since 1900. The result will be new long-term financial and defense commitments and the establishment of a major new military base. Such major steps should involve public debate, but the Administration's strategy seeks to avoid controversy by asking Congress to approve the major implementing provisions of the negotiated agreement before Congress considers the agreement itself.

The sums requested, small now, will lead to major United States investments of as much as \$2 billion.

Under the final agreements, the people of the new Mariana Islands commonwealth would become United States citizens, and Tinian, the second largest island in the group, would be the site of the base. On these points the current budget requests attempt to anticipate future Congressional approval by calling for \$1.5 million to aid in the transition of the Marianas to a new United States-owned territory with commonwealth status.

The rest of Micronesia, the Marshall and Caroline chains, are to gain "qualified sovereignty" allowing them to control internal affairs but delegating to the United States complete control of defense and virtually complete control of foreign affairs. Fifteen years later, after signing a mutual security pact with the United States, the Micronesians could declare independence.

But for the request on the Marianas Congress might be justified in not focusing on Administration plans until asked to approve the agreements. Whatever the area's future political status, the capital-improvement funds are desperately needed. The United States has a long-overdue obligation as trustee to provide basic improvements, and their provision now would in no way prejudice future status.

But Congress cannot provide transition funds for the Marianas without taking a position on the major issues facing the area. One is whether the Marianas should be allowed to break away from Micronesia and possibly encourage other separatist movements, which already exist in the Palau and Marshall Islands.

Approval of the Marianas transition would put the United States Congress in direct conflict with the territory-wide legislature, which has opposed United States negotiations with the Marianas and likened separate negotiations to a United States policy of divide and rule.

By far the major issue is the unexamined premise underlying United States policy that Micronesia is essential to United States security interests. This premise is advanced as justification for new long-term economic, political and military commitments. But even if the area is essential, does it follow that America needs to construct, particularly in a time of economic stringency, a major multi-million-dollar military base? If so, why did the House Appropriations Committee express doubt that that construction could be justified given the present United States defense posture in Asia?

Finally, Congress needs to consider the stakes for the Micronesians, whose location seems to be the only commodity on which they can rely to finance plans for economic development. The proposed agreements may best reconcile conflicting Micronesia and American interests. But Congress ought to insure that that is so and that Micronesia's trustee has not made its own interests overriding.

A resolution of Micronesia's future political status is long overdue. Continued United States trusteeship is an anachronism and would be so even if the United States record of trusteeship had not been dismal. It may be that detailed Congressional examination would result in approval of the tentative agreements. But the Administration's approach avoids such an examination. If the Micronesia bills are passed without debate, Congress will find itself in the embarrassing position of being asked to approve agreements whose implementation it has already approved.

JUSTICE IN MEXICO—V

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. STARK. Mr. Speaker, since Monday, December 9, the Los Angeles Times has been running a series of stories on what is happening to Americans arrested and incarcerated in Mexico. The articles have been horrifying. The conduct of the U.S. Embassy personnel in Mexico City, and of Drug Enforcement Agency officials in Washington and Mexico has been despicable and inexcusable. In their efforts to combat trafficking in narcotics these Government officials have allowed the rights of Americans to be ignored, they have failed to assist families and friends in this country, they have even failed to warn these families of extortion rackets and dishonorable attorneys.

Mr. Speaker, I vigorously support international efforts to reduce and hopefully one day eliminate the flow of narcotics throughout the world. As a Member of the House Special Subcommittee on International Narcotics Traffic I have committed myself to this goal. It is possible that many of the Americans arrested in Mexico were guilty of violating the law. In those cases I believe they should be held accountable to the judicial system in either this country or Mexico.

The issue here, however, is not drugs. The issue is the role of the U.S. Embassy in assisting and insuring that Americans in Mexico, or any other foreign country, receive justice.

Today's article from the Times may bring this point home. The families who have suffered the agony and despair of

facing the Mexican system of "justice" without the assistance or cooperation of their own Government's Embassy tell the story better than I can. These are normal, average American families. We are not dealing with the Mafia, we are not dealing with an organized drug ring. We are dealing with families like our own.

I would also like to take this opportunity to thank the Los Angeles Times. Their series is courageous, well documented, and timely. The Times assigned four of their best reporters to this investigation and their combined, coordinated effort may well be the first step in insuring justice for the hundreds of Americans involved. Jack Nelson, Paul Houston, Stanley Meisler, and Frank Del Olmo may not become household words for their efforts, but I am sure there are, in fact, many households where these men and their work is most appreciated—those homes where this tragic story carries a most personal message:

[From the Los Angeles Times]

MEXICAN DRUG BUSTS: THE FAMILIES
ALSO PAY

(By Frank Del Olmo)

For Mrs. Jane Smith of Granada Hills, the nightmare began on an otherwise routine Friday morning last February with a tersely worded telegram to her home.

It stated that her son Jim—whom she thought was on a skiing trip—had been arrested in Mexico City two days earlier "for numerous charges involving narcotics violations."

It directed Mrs. Smith (not the real name) to contact two attorneys, Jorge Aviles of Mexico City and Daniel Davis of Los Angeles, for more information. She telephoned Davis and a meeting was arranged for the next evening in Davis' downtown office.

"From Friday to Saturday you can imagine how the tension built," her husband recalled in an interview.

"We went to one of those tall buildings downtown where Davis had this big, impressive office," he said.

"Aviles was there," Smith said. "He said they wanted us to come up with \$3,000—just like that, cold turkey."

Aviles, Smith recalled, "was exceptionally polite and as business-like as any lawyer could be, but what he told us scared the living daylights out of us."

Aviles told the Smiths their son had been arrested at the Mexico City airport with a small amount of cocaine in his possession and had been charged with a variety of offenses under Mexico's stiff drug laws.

Now he faced a long term in Mexico's tough prisons, unless he received immediate legal assistance.

The entire deal to free their son would cost \$25,000, Aviles told the Smiths. The \$3,000 he wanted immediately would serve as a retainer and cover initial expenses when Aviles returned to Mexico in two days.

A young friend of their son attended the meeting with the Smiths and he cautioned them to delay paying the attorney until he could check with another lawyer.

The Smiths left the meeting shaken, promising to contact Aviles before he left for Mexico.

They never contacted either attorney again, however, because "we finally decided that we just didn't have \$25,000, so what good would the \$3,000 do?" Mrs. Smith said.

Jorge Aviles is one of a corps of Mexican attorneys who have been paid thousands of dollars by anguished relatives and friends of American citizens imprisoned in Mexico on narcotics charges.

U.S. Embassy officials credit Aviles with helping free one American prisoner in Mexico

in 1973, and possibly three others. The freed prisoner's case was apparently the first drug-related case handled by Aviles.

After the Smiths decided not to deal with Aviles, they were able to make contact with their son and began to experience a common form of extortion faced by many families with relatives in Mexican prisons.

One of their son's first requests from Mexico City's Lecumberri Prison was for \$1,500 which he had to pay in order to keep from being beaten by fellow inmates and to avoid being assigned to harsh, unpleasant work details.

The Smiths sent the money. They have sent \$100 every month since then so their son can pay for his room and board in jail.

Both the payment of extortion fees and monthly "rent" are common practices in Mexican prisons. However, they are new to the 528 U.S. citizens imprisoned there, and also more expensive for them than for Mexican prisoners.

The Smiths' story is one of about 100 such cases compiled by staff members of Rep. Fortney H. Stark (D-Calif.), a member of the House special subcommittee on international narcotics traffic.

Of the 100 cases in Stark's files, more than 50 families of prisoners claim they have experienced extortion in Mexican jails or attempted manipulation by Mexican attorneys. About 40 of the cases involve California families.

The Times interviewed a dozen families in Southern California and the San Francisco Bay area about their experiences in trying to help relatives in Mexican prisons. Most of them are middle-class families with well-educated children.

While a few insist that their relatives are innocent, most will admit they were wrong—and certainly very stupid—to have tried to smuggle drugs, regardless of how small the amount involved.

The stories these families relate are appallingly similar.

All complain about the lack of concern on the part of the U.S. Embassy, the high-pressure techniques of Mexican attorneys and the heavy-handed methods used by Mexican criminals to extort money from the imprisoned Americans.

"I realize now how stupid we were," said an Oakland woman who lost \$6,000 to one attorney. "But we didn't know what else to do, who to turn to or who to ask for help."

Mexican attorneys have been known to demand up to \$45,000 to represent U.S. citizens. Some of the money is ostensibly for legal costs, and some will be passed along to prison authorities to pay for better living quarters and conditions for the prisoners.

High legal fees are often the rule in Mexico.

The extortion fees demanded by prison kingpins range from \$800 to \$2,000 for the initial payment, and usually \$100 to \$300 a month thereafter.

The families of imprisoned Americans say the U.S. embassy in Mexico has been almost useless in helping them deal with the complexities and quirks of the Mexican legal system.

All the embassy does, some said, is provide a list of lawyers to all prisoners.

That list includes a disclaimer indicating that the embassy "assumes no responsibility for the professional ability or integrity of the persons or firms" listed.

It is only fair to point out that some Mexican attorneys have assisted U.S. prisoners in that country, working in the best interests of their clients.

An official of the U.S. Drug Enforcement Administration, which has encouraged and assisted the Mexican government in the crackdown which has led to many of the recent arrests of Americans in that country, agreed that American prisoners are "a fountain of money" for certain Mexican lawyers.

The official told The Times of a case in which a DEA informant was inadvertently arrested by Mexican authorities and his parents paid \$13,000 to a Mexican attorney before the informant was eventually freed.

One well-to-do Los Angeles woman who went to Mexico with personal references to prominent corporate and criminal attorneys was told by many of them that "it would hurt their reputations" to become involved in her daughter's case.

Like many of these families, the Oakland woman—let us call her Mrs. Jones—first learned of her son's arrest not from the U.S. embassy, but through a collect call from attorney Aviles, the same man who contacted the Smith family in Los Angeles.

According to the Joneses, Aviles told them their son would go to prison for 60 years without his services and asked for money. Aviles was turned down initially but over the next three days—a holiday weekend—he called three more times telling the Joneses their son was facing a major court appearance without counsel.

In one of the calls, Aviles called an American to the phone, identifying him as Dan Root, a consular officer at the U.S. embassy in Mexico. The American recommended Aviles to the family as a reputable lawyer. (Root has since denied making any such call.)

The Joneses said they finally sent \$6,000 to Aviles and did not hear from him again.

But this family's experience did have one positive effect. The apparent involvement of the American who identified himself as consular official Root led Mrs. Jones to write to her congressman about the incident. Her congressman is Fortney Stark.

A staff member for Stark said that at first Mrs. Jones' letter was handled as "an individual case, an inquiry from a single constituent that would be answered individually."

But in July of this year, Stark's aide read newspaper reports about a hunger strike by Americans held prisoner in Lecumberri Prison.

He "began to wonder if there might be a pattern here, so we started looking further into it."

His inquiries eventually turned up the names of half a dozen families with experiences similar to the Joneses.

One person he contacted was Mrs. Juanita Carter of Hawthorne, whose son had been in prison since October, 1973, and who told Stark's aide she also had a brief unpleasant encounter with Aviles.

Mrs. Carter first learned of her son's arrest through collect telephone calls from several attorneys in Mexico City all "saying for me to come to Mexico and to bring as much money as possible."

Mrs. Carter told The Times she went to Mexico hoping to find an attorney for her son and was surprised to be met at the airport by a lawyer she never had heard of before named Jorge Aviles.

Aviles accompanied Mrs. Carter to Lecumberri the next day and after she visited her son, offered to represent him. Mrs. Carter said he asked for \$1,400 to pay her son's initial extortion fee.

She wrote Aviles \$1,400 worth of travelers checks on the spot.

But two days later, just before leaving Mexico, she was called in her hotel room by the "mayor" of the prison dormitory where her son was kept.

(The "mayor" is an inmate appointed by prison authorities to supervise the dormitory. It is assumed the mayor pays for his job by sharing whatever he can extort from his fellow prisoners with the authorities.)

The mayor said no extortion fee had been paid, and according to Mrs. Carter he threatened to have her son killed if it was not paid before she left.

Angry and fearful, Mrs. Carter went to Aviles' home in Mexico City's suburbs and,

accompanied by a heavy-set Mexican cab driver, demanded her money back.

Mrs. Carter said he returned it—less \$370—and warned her that "he had powerful friends at the American embassy and that my son would suffer greatly."

Mrs. Carter has returned to Mexico periodically since that first visit. It was during a visit in June that she decided "someone had to start some communication among the families of the kids down there."

"Nobody was helping us," she said. "I thought maybe we could at least help each other."

On that visit she began to compile a list of names and addresses of the families of the American prisoners and began corresponding with many of them.

As a result, when Stark's staff made contact with Mrs. Carter, her unofficial organization of families proved to be the key element in firmly establishing the pattern of abuse and manipulation of the families of the imprisoned Americans.

In their interviews with The Times, some of the California families who have cooperated with Stark offered a variety of vignettes which illustrate their disillusioning experiences with the Mexican legal system.

An Orange County woman on her first visit with a son in Lecumberri met briefly with the mayor of the dormitory where her son is confined. The mayor lives in a carpeted cell complete with a stereo set.

The woman still has a copy of the blank check she wrote for the man in the amount of \$1,500, the initial extortion fee. It was cashed at a Mexican bank by someone who sloppily printed C-A-S-H in the blank space.

Another Orange County woman went to visit her husband in Lecumberri accompanied by a Mexican friend and another woman with an imprisoned relative who was represented by attorney Aviles. The young woman's friend had a brief conversation with Aviles and later warned her against dealing with him.

Her friend said "Aviles admitted he could do little for the Americans in prison there. But if the gringos were willing to pay him to try, he'd take what he could from them," according to the woman.

—A West Los Angeles woman recalled how she and her husband, a doctor, sent a color television set to a close friend who is a prisoner. It was to be a gift to a commanding officer at the prison in the hope of winning better treatment for the prisoner.

"We never heard what happened to it, or to the money we have sent," she said. "I swear, it's like dropping it all down a fell."

—An Orange County couple recalled a meeting with Aviles and Davis last February, not unlike the meeting the attorneys had with the Smith family.

The couple said Davis contacted them first and said their son had been arrested in Mexico and "was facing torture and 25 to 40 years imprisonment and said his cousin, Mr. Aviles, could help him."

Davis arranged a meeting between the prisoners' parents—we will call them Mr. and Mrs. Brown—and Aviles that weekend in a Marina del Rey hotel. There, Aviles requested \$20,000 to represent their son, with a \$10,000 retainer. He said he already had paid \$2,500 to get their son better treatment in prison.

During the meeting, according to the Browns, Aviles placed a telephone call to the prison and had the Browns' son called to the phone. The young man, who apparently was familiar with Aviles' reputation among the American prisoners in Mexico, warned his parents against dealing with him.

Brown later agreed to pay Aviles only \$2,500 he said he had paid out in extortion money. It turned out that Aviles apparently had paid no money at all. The Browns said they later had to send \$500 to the mayor of the dormitory where their son remains confined.

The Browns' story illustrates the strange role played by Los Angeles attorney Daniel Davis in at least four cases where Aviles is mentioned by families who have contacted Rep. Stark.

The 28-year-old attorney was admitted to practice by the California Bar Assn. last year. He worked for a time with a prestigious local law firm but is no longer associated with it.

A distant cousin of Aviles, Davis declined to discuss in any detail his dealings with the Mexican attorney when contacted by The Times.

Davis said he has been informed by the State Bar that it is investigating his involvement with Aviles. He said he preferred to tell his story to the State Bar first "since they are my professional and ethical monitors."

Davis said he has nothing to hide because "the problems (in dealing with Aviles) were things I could not control."

One family interviewed by The Times credited Davis with making an apparently sincere but unsuccessful effort to recover their money from Aviles.

They said Davis expressed to them doubts as to Aviles' honesty and personal qualms over having become involved with the Mexican attorney.

Aviles himself emerges as a rather contradictory character from what little can be gleaned about him in interviews with people who have dealt with him.

One prisoner represented by Aviles described him as "by all outward appearances a very respectable man" with a wife and son, who lives in a comfortable home in a fashionable Mexico City suburb.

"He really believes most Americans arrested down there are working for the Mafia and he has a right to get his share of the action," the young man said of Aviles.

Aviles has been unavailable for comment since a civil suit charging fraud was filed against him in Mexico City by the parents of an American prisoner. The U.S. embassy assisted them in the lawsuit.

Aviles is mentioned in 23 of the 100 files compiled by Stark on U.S. citizens imprisoned in Mexico on narcotics charges. Other Mexican attorneys are also mentioned in many of the files.

How many families have dealt with attorneys like Aviles has yet to be determined.

Mrs. Carter said that another attorney recently planted a rumor among the American prisoners that, for a flat fee of \$30,000, he can not only win their freedom but have their arrest records destroyed.

"I'm truly afraid there are still families out there that think they can buy their kids out of prison," she said.

TRIBUTE TO H. R. GROSS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 9, 1974

Mr. SARASIN. Mr. Speaker, I wish to take this opportunity to join with my many colleagues in the House in paying tribute to Congressman H. R. Gross of Iowa on the occasion of his retirement from this body.

While I have only had the privilege of serving with Mr. Gross for a small part of his 26 years in the House, I consider myself indeed fortunate to have had the chance to know first had this outstanding American. His reputation will endure and new Members of the 94th and succeeding Congresses will look to the mark he leaves on history, but they will be the poorer

for not having had the opportunity to serve with him.

The remarks always entered into the Record by Members from both sides of the aisle are abundant proof of the tremendous respect and affection H. R. Gross has earned in his long tenure. Even those of us who have served only briefly with this outstanding legislator have profited greatly from the association and should be better equipped to carry out the duties for having been exposed to the example of H. R. Gross.

We are not witnessing the poignant occasion of the retirement of a champion at the height of his prowess, for H. R. Gross is truly a champion. Since his first election to the House in 1948, he has been a champion of the best interests of the country.

While he has often been on the losing side in his efforts, he has always had the attention of his colleagues. Through the use of incisive analysis, enlightening humor, and most of all, common sense, Mr. Gross has always contributed more than his share to debate in the House. His departure will leave a tremendous void in the Congress and he will be sorely missed, not only by his colleagues, but by the beleaguered taxpayer he labored so long and hard to protect.

While my words can add little to the tributes of the many Members who had known H. R. personally far longer than I, there is one observation which perhaps can be made best by a freshman Member: Legends are often diminished by exposure to their source, but personal exposure to H. R. Gross only serves to enhance the legendary quality of his service to his people and his country.

GEORGE LEWIS ALLISON, SR.

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. HOSMER. Mr. Speaker, there is, I think, no finer title than that of "professional," whether the profession be brick laying, law, medicine or newspapering. Today I would like to honor a man, George Lewis Allison, Sr., who earned that title of "professional" and imparted that professionalism to his sons and to hundreds of newspapermen and women during his 38-year newspaper career.

Mr. Allison, who died December 6, 1974, of cancer in a Long Beach hospital, was until 5 months ago news editor of the Long Beach Press-Telegram. In that job he worked fiercely and in his own way joyously to produce each day a newspaper better than the day before. The effort to improve the quality of the newspapers on which he worked was Mr. Allison's personal trademark.

His colleagues in a moving editorial have paid tribute to George Lewis "Lew" Allison, Sr. in words far better than mine but before asking that editorial be reprinted in this Record, I would like to add to it one item not mentioned. The editorial relates how Lew Allison responded to the news of the assassination

of John Kennedy and produced the best account of that dreadful event published in the Los Angeles area. The editorial is accurate if incomplete when it mentions that "the publisher and all the brass" gathered in the wire room to read the fast moving bulletins. It is incomplete in that it does not mention the first step taken by Mr. Allison who told the publisher and the brass in no uncertain words "to get out" for there was work to be done and they were in the way. They did, and as he did every working day of his 38-year career, Mr. Allison produced the best newspaper possible.

Mr. Speaker, I insert the December 8, 1974 editorial of the Long Beach Independent Press-Telegram in this Record:

A GOOD NEWSPAPERMAN

Until five months ago, when his doctor told him he had only a short time to live, George Lewis Allison Sr. was news editor, which is to say midwife, for the Press-Telegram.

Except when he wrote an outdoor column or a story about fishing on Northern California's Shasta Lake, no article in the Press-Telegram had his name on it, but the entire paper bore Lew Allison's signature. He was proud of it, but he was never wholly pleased by it, even after he had pushed reporters, city editors, copy editors, wire services and printers in a daily chase to catch and correct every error, every hint of bias, every story that had been superseded by some late news. There was no day when Lew Allison was not peeved that his newspaper had not been perfect.

"You'd come to him with a story that sparked," a reporter mused the other day. "All the quality of a Hemingway. Done in two minutes. 'What took you so long?' Lew would say. In 20 years he never told me a story of mine was good. But sometimes I knew he liked something I wrote—because he didn't say anything."

Why, then, did the reporter add: "I love him"? Perhaps because Lew Allison gave everyone around the feeling they were joined with him in an important enterprise. He cared about news, about the language, about people, about newspapers. He could be as passionate about whether Harry S. Truman's middle initial took a period—it was his firm opinion that it did—as he was about seeing that Richard Nixon and George McGovern got a fair shake in the news columns.

His decisions were unerring and swift. "When President Kennedy was assassinated," a colleague recalls, "the news broke right on deadline and the publisher and all the brass were in the newsroom wondering what we should do. It was Lew who told them. He told them to take the adds off pages 2, 3 and 4. He planned a picture page. He laid out the whole paper right there for them."

In the composing room that day, Lew Allison, reading the type upside down and backward because there was no time for proofs, wrote headlines and put the pages together, so that his paper was the first one in the Los Angeles area to have the complete story in readers' hands.

He came from a newspaper family. His father had published a small paper in Mesa, Ariz., a paper on which Lew Allison got his start more than a decade after his father had relinquished ownership. Lew's brother Bob was sports editor of the Phoenix Gazette. Lew Allison transmitted his love of journalism—a word he never used—to his children, although none can tell you exactly how he did it.

His oldest son, Larry, is managing editor of the Independent Press-Telegram. Lew Allison Jr. is Midwest news director—and former Vietnam bureau chief—for the National Broadcasting Company. Jack Allison is a reporter for a Salt Lake City television station. Brian Allison worked part-time as a San Francisco Examiner copy editor while in

college. Mike Allison will be a newsman after his graduation from UCLA. Only Lew Allison's daughter Helene did not ever work as a journalist. She is a teacher. But then her father was a teacher, too, as all fine editors are.

Lew Allison was a realistic man. When his doctor told him death was near, he took the doctor's word, just as he expected reporters, copy editors and publishers to take his word when he spoke on a matter within his professional competence. He went fishing one last time at Shasta Lake. He went to football games. When his strength began to fall, he read. The last book he borrowed from a friend was Gay Talese's *The Kingdom and the Power*, which is about the New York Times.

He hadn't finished it when death came Friday evening. No matter. No book about newspapers had anything important to teach Lew Allison. He was what old hands in the business call "a good newspaperman." Being one is a craft and an art, and Lew Allison pursued his craft and art with unfailing mastery.

A DAY IN THE LIFE OF A VISITING NURSE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. MURPHY of New York. Mr. Speaker, today, H.R. 17085, the Nurse Training Act of 1974, will be considered by the full House of Representatives. This legislation provides for an extension of assistance programs for nurse training, under the Public Health Service Act, and I fully support this vital legislation.

One of the continuing concerns of this Congress is how we can see that adequate health services are available to all people who need them and yet hold down health care costs.

We are seeing an increasing emphasis on home health services, caring for people in their homes, whenever possible, as an alternative to institutional care.

The registered nurse is the central figure in providing health services to people in their homes. Some people probably would not be getting any health care at all if it were not for these visiting nurses.

A recent article in the Washington Post takes us through a typical day in the life of a visiting nurse in the District of Columbia. It illustrates the kind of training and education the nurse needs for this role and it also shows the dedication that is required. We need more nurses like the one described here. I insert the complete text of the article, "The Visiting Nurse: Healing and Feeling Pain in Homes Where Time Moves Slowly" in the RECORD:

THE VISITING NURSE: HEALING AND FEELING PAIN IN HOMES WHERE TIME MOVES SLOWLY
(By Emily Fisher)

Marylyn Mason, in navy blue nurse's uniform unblemished by detail, hair squared back by a barrette and face pinched by the fall chill, is part of the morning's crispness. She has a long-boned basketball player's gait, a tiny overbite and lisps. She is 26 but looks like a schoolgirl in a pinafore. Only the black shoes, losing their heels and, split at the sides, tell of wear. She has worn them daily for the two years she's been with the Visiting Nurse Association (VNA).

10 a.m.—A street in the center of the Adams-Morgan area between Harvard and R

Streets, 16th and Connecticut. A mix of faded affluence, incipient slum and renovation, its population, much of it Spanish-speaking, is heavily transient—moving in, moving out, as one building is condemned, one is renovated. The sidewalk is cluttered at intervals with remnants of a lifetime's possessions.

"How ya doing?" Marylyn Mason greets a drunk sprawled in the sun on the sidewalk. "How ya doing?" as she picks her way through teen-agers pitching pennies on the steps. "How ya doing?" to two large young men in leather lounging in the doorway's shadows. They eye her askance, head to toe, then smile as recognition comes.

And again, once inside the patient's apartment, "How ya doing?"

The six shapes there, murky in the room's stale light, seem at first oblivious to her coming. A woman with a withered foot rests chin on cane; a man leans heavily upon a crutch; another mechanically sharpens a knife; a foot taps, a spool of tobacco spittle hangs. All are aged, all wear overcoats though the room is heated well into the 80s. All stares are fixed as if toward some transcendental point.

Cardboard boxes function as furniture. The walls are bare but for a "Home Beneficial Life" calendar and stains that stray down the door panels. It looks like a room waiting to be moved—no television, no radio, no telephone.

"Bout this time" someone wheezes, the first human sound.

And as if on cue, the patient rises to have a skin ulcer dressed. He is recovering from a stroke, he can't weigh more than 80 pounds and his body is all knobs. "Well people in this world just don't know how blessed they are," he says. And he inches on his cane, first to fetch the nurse a chair, then to the lone bed, where he sits, hands demure on his lap.

"Mr. J, show me the exercises you've learned," says the nurse.

"I go like this . . ." Mr. J moves an uncertain hand toward his face, then drops it as his face goes blank. And Marylyn Mason—as she has done scores of times before—guides the hand through the exercise it needs, up, down, crosswise. Briskly, she takes his blood pressure, temperature, pulse, sterilizes equipment, changes his dressing, checks cupboard and refrigerator to make sure that the food supply is adequate, disturbing nothing of the room's clutter. ("That's private," she says later.) J never drops his eyes from her face.

"Did you eat anything today?" she asks. His speech is garbled, most would find it unintelligible. "Potatoes, you say? You should eat fruit, too. You have it in a can, you say?"

"Sure," he answers every question with quick nods aimed to please. "You should do your food shopping with Willie—he eats fruit." "Sure." "You go out?" "Sure." "Much?" "Sure. Went across the street yesterday." "You go out alone?" "Sure." (Later Marylyn would express doubt that J really does do all that. She knows he can't manage it physically, and she worries.)

"I can move my leg, sure," he says and flaps his arms like bellows. "Thirty-five times I do it."

"Wow. Great," Marylyn cheers him. "That's the way to go." (Later she would doubt this feat as well.)

After about an hour and a half of this, after J's ulcer is dressed, medical instructions for the next two days given and recited—repeat after me, she had bid him—just when Marylyn reaches for her black bag, J discovers whole new nests of pains. There in his chin, now here in his foot, the back, too, and the arm. "Now Mr. J, I'm coming back Thursday, remember?" The pains are forgotten. "Yeah, that's right," he nods to himself. And the room, as the nurse leaves, returns to a silence broken only by the clock's patient ticking.

Noon Adams-Morgan—A street of vacant and boarded up storefronts is deserted in the midday sun, and wind scatters pop tops and cigarette butts like confetti across the

sidewalk. The visit is to an old and skeletal man, bedridden years ago by lateral sclerosis. Sores cap bones outlined sharply behind his skin, and almost all the nerves of his body have decayed. His muscular strength has left him, but his mind is still agile.

He would die were he left alone, but a Mrs. D, triple his size, two-thirds his age and no relation to him, lives with him. It is a devotion few fully fathom. "He's a three-shift job, I'll tell you," she says. "And I'm not getting anything from his people but hell." You should go out more, the nurse tells her, we'll see about getting you a home health aide. But Mrs. D, for all her complaints, is resistant to the suggestion. She gets out, she says, to the store, the laundromat, too.

"You're free," Marylyn Mason says. "Do what you want to."

"I do do that," says Mrs. D. "I got nowhere to go." Then after a bit, "You know, you hear a lot 'bout how someone like Mr. H here needs nursing home kind of care."

"But if you can handle him here, like you're doing . . ." says Marylyn. "It's for the two of you to decide. And if you're happy with the decision, that's all that's important."

There is no urgent medical need here. Mrs. D takes care of that. But there are, says Marylyn, other needs that bear watching. She couldn't do all that Mrs. D does, she says—it would leave her well-nigh dead, and Mrs. D gets no outside support. "I'm the sick one today," says Mrs. D, and arches her back as if to wrench out a pain. "Who's sick?" Marylyn stiffens. "Oh, it's my arthritis acting up." Marylyn changes the subject. The arthritis, he says later, may be more in the mind than limbs, but she will in any case check Mrs. D's medical history.

This room, like the last, is tropical in temperature. The ceiling's plaster is cracked and every spare space crowded; a blessing Jesus, two Bibles but no other books, a plastic-coated portrait of John F. Kennedy, paper flowers, pillows, pill bottles, a TV that is rarely turned off. The patient's eyes swing like pendulums after the nurse's every movement.

"What's on TV?" she asks Mrs. D.

"I don't know, something like blackjack." And then she drifts: "I heard that Liz Taylor and Burton are gonna break up. Hmmm. They found that Hearst girl yet? I believe she's dead, brainwashed, too. Oh, sakes. Them that's in unemployment that's able to work just don't want to. You just gotta be patient." It is a running theme of her talk. "The doctor, he's busy, awful busy. You can't find them these days that makes housecalls. You just gotta be patient." H lets out a groaning aaahh; tears run down his cheeks. He has just wet his bedclothes and both women spring to change him. Then a rubdown, bath, feeding, turning him this way and that.

"I tell you, what a day, sliding his butt around, turning him over and over, getting these old joints to move," says Mrs. D, cuddling H's head in the cup of her hand.

"Mrs. D," says Mason, "That's just great. Wow. That's the way." Mrs. D goes somber, studies her feet. "Why thank you dear," and sets about fussing with H's pillow, sheets, bibs. And Marylyn, no less a whirlwind, continues her check-check-checking—food supply, air, gas outlets, exercises, popping each query with a grin and plucking laughs from the air.

"Mrs. D, I'm going to go now—you're doing just great."

"Onnnhhh," rises from the bed. "Oh, my arthritis," from Mrs. D. She cuts her cry short to catch the phone. "Yes, I'm fine . . ." She motions goodbye to the nurse. "Nothing. No, I'm just setting here in front of the TV."

As Marylyn closes the door, Mrs. D is holding H's hand, both turned to the TV, he with the grimace that is as much of a smile as he can manage.

"We (the VNA) will carry him until he dies," Says Marylyn. And Mrs D? No one yet can say.

2 p.m., Chevy Chase—The lawn out front is as groomed as a golf green, and inside is the accumulation of a long and comfortable life—oaken furniture new with the century, delftware and eggshell porcelain on a sideboard, photographs of a bloomer clad childhood. The patient, at 94, has watched one sister enter a nursing home. Dreading that for herself, she stays here with her daughter, alone during the day while the daughter writes copy for the National Geographic.

A small line furrows Marylyn Mason's brow. The visit was to be brief—R's orders call only for a bi-weekly injection of B-12 for macrocytic anemia—but R stretches the time with chatter. It is sort of self-peptalk, launched off the bat. "Somebody asked me if I told Dr. K about this pain I got. Boy, you should have been here to see it. My arm swelled up so it looked like the Green Giant's. And I said no, pshaw an old arthritic like me can't tell about all her pains. They're going on all the time."

She winks, and as Marylyn sticks the thermometer in, she screws up her eyes, clown-face, but doesn't stop the patter: "Why, I bet I could beat the tall-off most folks my age. I tell you, 20 years ago I was playing basketball. And I was 70 then. Hmph." She seems not to notice the shot Marylyn administers—just pats her hair and winks. "But that's all water under the bridge."

She is tiny, with colorless eyes, a perky drawl and skin that swings in folds when she moves, which she does in hyper, spiky gestures. She has dressed for the visit in rust-toned cashmere shirtdress and matching organdy scarf; even the hair tint matches.

The B-12 has been injected, but R is rambling through her past, spewing it out in disordered patches. "You know, my Annie (daughter) was such a sunny sweetheart. If she hadn't been here when they took Nan (the sister) away . . . I remember I told her to go ahead and write and darned if she didn't turn bent and horn-rimmed like him (her husband?)."

She hopscoches through time as she speaks, eyes fastened on the nurse. "Annie pounds on everything she can touch, the little devil. She wriggles out of her diaper before you can say scot, and then, heck, it's cute, she leaves a nice wet mess behind the drapes."

Marylyn tries to curb the flood: "How's the heat here?"

But R talks as if a dam had broken somewhere in her head. She talks even while trailing the nurse on her safety check through the house.

"Hey, you already told me that," Marylyn butts in. For a second R looks crestfallen. "Well, I guess I've told you so many things . . ." Then revs up again: "But I'd say I do pretty good for 94. Yes sree, 20 years ago I was playing basketball." Marylyn moves for her bag, R trips suddenly over her cane, then makes herself small against the wall, a naughty kid caught, and shame-faced.

"Mrs. R," Marylyn grasps her. "Will you listen to me? You're not steady—you need another person here." Stubborn, R clamps her jaws tight, NO. Marylyn warns again, and again, before R begins to yield. "I won't fall, I promise, I won't because I know I got to be steady."

"I'm going to talk to your daughter," threatens Marylyn.

"Don't," clowning again, "she'll kill me."

They compromise—R will use her cane.

"Take care," calls Marylyn from her car.

"I've lived long enough," says R, and pivots quickly on the cane so that the nurse will see.

(The clinical physician referral had indicated that Homemaker Health Aid Service was pending for R, but when Marylyn had called the hospital to verify this, she found that the patient's family had failed to con-

tact the hospital, and that no Homemaker aide had been assigned. She would try again.)

"What a cool lady," says Marylyn. "But you've got to be so careful. On the surface she's the liveliest person in the world, but beneath that pride, that whatever, is someone very shaky." A smile hangs thoughtful on her face till R is safely up the steps.

3:30 p.m.—It is the day's last visit, back to Adams-Morgan and boarded up and broken windows, trash-littered streets and more liquor stores than markets.

It is also to be the day's toughest: an old incontinent woman was referred to the VNA and Marylyn, on her first visit a week ago, discovered that her 17-year-old daughter was as much in need of care. She had just given birth by Caesarean section; neither has any source of income; both sleep squeezed in one bed in a room, otherwise empty except for a TV and a crib.

Marylyn stops at a payphone on the street to verify medical orders with the VNA's Public Health liaison at Freedmen's Hospital. She phones the Adams-Morgan clinic, a community link with Children's Hospital, about registering the family to receive supplemental foods, and she checks in with the VNA.

The line in Marylyn's brow has deepened and her shoulders slump. Inside, four flights up to the patient's apartment, no one answers her ring. And the only sounds in the minutes that pass are a cough that reverberates from below, a radio whining up from the pavement outside, sounds of heels clapping on the steps that fade, then die. "It's Mrs. Mason, the nurse," she yells at the keyhole. The hall reeks of old urine. "Mrs. R?"

Finally the door opens, heat rushes out. It must be 95 inside—the oven has been left on and the thermostat turned to top temperature; blood from a cut is running down the woman's leg, and a kitten is locked screaming in a closet. The woman starts to fall and Marylyn grabs her, but the woman fights her off. As the nurse races to turn off the stove, to release the kitten, the woman lunges for a corner and nuzzles her face into the wall. "Ye, ye, ye," she moans.

The daughter isn't there (she was supposed to stay with the mother), the apartments down the hall are all empty, and the woman is disoriented. She ignores Marylyn's questions—about how she cut herself, who left the stove on, who locked up the kitten, how long has she been alone. She cradles her stomach, hunches against the wall. Her speech, when it comes, is incoherent. "Don't know, don't know," she sings. Monosyllables spill out in monotone, then a wall rises, "Lord have mercy." She slurps the water Marylyn brings her, forgets it; the water not swallowed drips in puddles at her feet. Only her fingers move, curling and uncurling.

The daughter, all in skin-tight red, arms coddling a baby wrapped in a dishtowel, peeks through the door. She spots the nurse and edges, shy, toward the closet as if to hide there. She balks when Marylyn spies her, and turns sullen in answer, "I fed her, I did. She's okay. So what if she pees on herself? I can't sit home all day." "Yes, no, don't know," voice dull and eyes glazed.

(The daughter cannot understand the mental deterioration setting in here, says Marylyn later, and it leaves her feeling powerless, walled in.)

It is when Marylyn asks her what she will name the baby that the first smile flashes. "Juanita." Marylyn leaps to hold the smile—"It's just great the way you fixed the crib" (blankets knotted between the slats so the child wouldn't fall out). "I gave her a bath, too," says M. and holds the baby up for the nurse's inspection. At which point Marylyn becomes a talking encyclopedia of childcare know-how—how to feed, wash, sleeping habits, signs of sickness.

A lesson in temperature-taking causes problems. As Mason inserts the thermometer

in the baby's rectum and the baby winces, forewarning the scream to come, M beats the baby to it: "You're hurting her." She snatches the child. But when the nurse's hand guides hers—Marylyn tells her she must—M finds that it isn't after all, that difficult. Reading the thermometer is, however. It is clear, as M twirls the glass rod like a baton, that she cannot count. And that 98.6 has no more meaning for her than the baby.

Learning to read numbers may come, though, as it has for so many of Marylyn Mason's patients. First there are other basics to be mastered, the Caesarean incision to heal, an income to be secured. For now, Marylyn tells her how nice she looks, how perfect the baby is, and together they chat about what clothes to buy the child.

Meanwhile the evening sun lights the room in gold. The old one curls and uncurls her fingers, the kitten plays tug of war with the blinds.

Footnote: Marylyn has done a great deal of background legwork on this case. Concerned by the family's lack of income, she has contacted the VNA's social worker, who in turn called the hospital that referred the case. Marylyn learned that the daughter had applied for public assistance three months ago. Why it never came is unclear: perhaps the application was lost; more probably the daughter did not make the post-application contacts she was supposed to, perhaps because she failed to understand instructions "The red tape involved is enormous, confusing to anyone," she says. "But what counts most is teaching the patient how to get through it." With Marylyn's help, the daughter does.

Her days are often like this, says Marylyn. The illnesses change, as do the faces, the settings, the lives she moves into. But the other needs—social, emotional, psychiatric, the hunger and the aloneness—does not. And she seems to step always into places where time passes somehow more slowly.

It is now close to 5 p.m., and Marylyn has come back to the VNA offices to consult a social worker about her last case. Not safe, that old one, she says. She meets with her supervisor to talk about new problems she has spotted. She picks up new cases ("admissions" they are called), studies medical histories, doctors' orders, schedules visits. There is more paperwork, more calls: to a clinic, hospital or doctor, to Family and Children's Services or senior centers in the city, to the Homemaker Health Aide Service or Public Health or the Sanitation Department—and to the social worker who in turn will call a food stamp aide program, the Welfare Department, Protective Services.

Later Marylyn will go to her Spanish class at George Washington University—so she can better treat her Spanish-speaking patients in Adams-Morgan. Then she'll go home, where her husband, 29 and a law student, will cook and both will do the housework, perhaps do some shopping or go to a movie. Maybe both will study.

Marylyn Mason doesn't know how long she'll stay with the VNA. But she will not, "not on your life," she says, go back to a hospital—too many patients, too few on staff, not enough time—to talk, to make contact. Too often fixing, she says, not healing.

CONGRATULATIONS TO MRS.
EILEEN TAYLOR

HON. WILLIAM M. KETCHUM
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. KETCHUM. Mr. Speaker, I rise today to express my best wishes and

heartiest congratulations to Mrs. Eileen Taylor on the occasion of her birthday.

A lifelong resident of San Luis Obispo in California, Mrs. Taylor is a friend of many years standing. Eileen's contributions to public and political life are numerous, including her present service as vice chairman of the Central Division of Republican Women. She has also served as vice chairman of the San Luis Obispo County Republican Central Committee, and was a charter member of the Santa Lucia, Calif., Republican Women. Coworkers know Eileen can be counted upon to get a job done, and to give every task her best. She is also extremely active in the Arroyo Grande, Calif., Women's Club.

Married to Edwin Taylor, president of the Western Growers Association, Eileen has three children—John and Joan Taylor and Mrs. Vicky Edmondson. She always finds time in her busy schedule to enjoy her five grandchildren.

I could go on at great length about Eileen's talents, and her service to her community, her government, and her family. Like all of her friends, I take great pride in knowing her, and have the utmost respect for her accomplishments. I know that my colleagues here in the House will join me in extending happiest birthday wishes to this fine woman.

KEY VOTE ON UNITED STATES-RHODESIA TRADE DUE IN HOUSE

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. BIESTER. Mr. Speaker, events in recent days in southern Africa have only heightened the importance attached to passage of S. 1868 repealing the Byrd amendment which allows importation of Rhodesian chrome against U.N. sanctions. Our vote on this measure, now scheduled for early next week, could not come at a more opportune time at which to make our position on this matter abundantly clear.

The Journal of Commerce today ran an article on what is happening in Rhodesia and the ramifications of our vote next week. The article follows:

TODAY OR MONDAY—KEY VOTE DUE IN HOUSE ON UNITED STATES-RHODESIA TRADE
(By Peter T. Leach)

Journal of Commerce Staff

The agreement announced Wednesday in Salisbury ending the black African nationalists' guerrilla war in Rhodesia will intensify international economic pressures on the white minority government to reach a political settlement with the country's vast black majority, according to diplomatic sources in Washington.

One of the most immediate moves to increase the economic pressure against the regime of Prime Minister Ian D. Smith is a vote today or Monday in the U.S. House of Representatives on a bill repealing the Byrd Amendment which allows the import of certain strategic raw materials from Rhodesia.

ALREADY PASSED BY SENATE

The repeal bill, which has already passed the Senate and the House Rules Committee, is strongly supported by the Ford Administra-

tion, which believes it essential as a means of ensuring U.S. access to these same raw materials once a fully representative government is chosen to succeed the Smith regime.

The State Department believes the U.S. will risk losing future supplies of Rhodesian ferrochromium, ferromanganese, asbestos and nickel if a future black government decides the current U.S. imports of these strategic minerals were a means of supporting the Smith regime.

The Byrd Amendment, which was named after its chief sponsor, Sen. Harry Byrd, D-Va., was passed in 1971 to allow the U.S. to bend the United Nations economic sanctions against Rhodesia enough to import these raw materials. The amendment was passed by a coalition of Republicans and conservative Democrats who deemed it preferable to import chrome ore from the white minority government than from the Soviet Union at double the Rhodesian price.

Since the Byrd Amendment was passed, the U.S. has imported more than \$50 million worth of Rhodesian ores, but only about 4 percent of the U.S. supply of imported chrome is being imported from Rhodesia. The Soviet Union and South Africa remain the largest suppliers of U.S. chrome ore.

The U.N. economic sanctions against Rhodesia were imposed when Rhodesia made its Unilateral Declaration of Independence (UDI) from Great Britain in 1965 and have remained in effect for 10 years during which a minority of 240,000 white settlers has ruled a population of 5.7 million mostly black Africans.

The key U.S. vote on shutting off purchases of the only goods it imports from Rhodesia comes at a time when the Smith regime is moving toward a political settlement with the country's black African nationalists and the black-ruled countries surrounding it.

But official sources both here and in Rhodesia warn against any expectation that the U.N. economic sanctions will soon be lifted. Before the ban on trade with Rhodesia can be lifted, official sources say, Rhodesia will have to work out a political settlement that is acceptable to African nationalists and to Great Britain, which was the sponsor of the U.N. sanctions.

Most observers think the Smith regime's move toward a more moderate stance on governing the country was forced by the external realities that threaten Rhodesia's communications lifeline. Rhodesia depends on neighboring Mozambique and its port of Beira for much of its external trade.

With the Portuguese withdrawal and the emergence of a partially black government in Mozambique, Mr. Smith evidently began to fear Rhodesia's outlet to the sea could be broken.

AGREE ON CEASEFIRE

Mr. Smith announced in a national broadcast Wednesday that his government and the black nationalists have agreed upon a ceasefire to end the prolonged fighting on the northern frontier. The announcement followed his release of two African nationalist leaders, who had been held in detention in Rhodesia since UDI 10 years ago.

The two nationalists, the Rev. Ndabaningi Sithole, leader of the Zimbabwe African National Union (ZANU); and Joshua Nkomo, president of the Zimbabwe African People's Union (ZAPU) were allowed to attend talks in Lusaka in neighboring Zambia with other black African leaders that led to the agreement on the ceasefire.

South Africa, which has remained Rhodesia's one ally throughout the years of UN sanctions, has been instrumental in pushing the warring sides in Rhodesia into an agreement. Prime Minister John Vorster has made two secret trips into Africa in the past two months for talks with African leaders.

Within an hour of Mr. Smith's statement Wednesday, Mr. Vorster said South Africa would withdraw its 2,000-man police force

from Rhodesia's borders as soon as it has confirmation hostilities have ended.

U.S. Government sources think the ceasefire will pave the way for an initial settlement allowing black participation in the Rhodesian Government, a participation that will slowly increase to allow full majority rule. Once majority rule is achieved, they said, the UN sanctions will quickly be lifted.

The political shape of the future Rhodesian Government is relatively unknown, although most observers think the government will probably reflect the strongly nationalist ideologies of its African neighbors.

All observers agree, however, that the country will be renamed Zimbabwe after the native African civilization that ruled this region before the arrival of white colonists.

With the lifting of the UN sanction, U.S. exporters will be free once again to sell goods into the Rhodesian market. Traders observe that the market will undoubtedly have changed a great deal in the 10 years of sanctions, since it has had to become increasingly self-sufficient in such goods as clothing, food, and mining supplies, which were once the staple of U.S. exports to Rhodesia.

Based on an analysis of 1965 trade statistics from the period before UDI, one trade specialist figures the U.S. will be able to sell the future African country substantial quantities of mining machinery, agricultural equipment, motor vehicles, aircraft, power generating equipment, spare parts and office machinery.

ANDOVER SQUEAKS BY SALEM IN 21 TO 20 OVERTIME THRILLER

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. CRONIN. Mr. Speaker, this past Saturday, I had the privilege of watching my hometown high school football team win the super bowl at Boston University's Nickerson Field. Of all the football games I have ever seen—be they high school, collegiate, or professional—I have never seen a more exciting game as this one. The performance of each and every one of these young men, most of them playing for the first time on the astroturf, was incredible. The courageous performance of quarterback Jeff Winters who time after time, despite serious injuries to his arm and ankle, was able to spark the team to make the necessary gains; a key tackle by John McDonald in the final moments; and the final point after kick by Peter Reilly were outstanding.

When quarterback Winters was forced by his injuries to leave the game, he was replaced by Mike McCormick and Bill Alexander. It was a pass from Alexander to Glenn Verrette that allowed Andover to tie the game in overtime. Many of these young men were responsible in key instances for the overall team effort that produced the victory: Mark Farnham's touchdown with 11 seconds to go; Bill Kenney's recovery of the fumble to set up the tie; brilliant defensive plays by John Drivas, Russell Tassinari, Dan Billings, Ralph Borelli, the two Fabiani brothers—Steve, who had to leave the game with a knee injury, and John—Dave Tallini, Jerry Stabile, and also many others who proved that there are still young men in America who under-

stand the value of winning and who combine in a team effort no matter what the odds to give their best.

Mr. Speaker, I would like to insert an article from the Lawrence Eagle Tribune about this exciting game and add my congratulations and, I am sure, those of the House of Representatives for this outstanding performance.

The article follows:

ANDOVER SQUEAKS BY SALEM IN 21 TO 20
OVERTIME THRILLER

Andover High's Golden Warriors came busting back from the brink of an overtime defeat today to post a 21-20 Super Bowl victory over Salem High at E.U.

The Golden Warriors, who, like Salem, came into the game with a perfect 10-0 record, had tied it at 14-14 in the waning moments of regulation play.

In the latter session Salem scored first to lead 20-14 before Andover finally made its last dramatic rush to victory.

Andover High missed three golden first-half scoring opportunities and Salem High took an 8-7 half-time lead in the Eastern Massachusetts Division 2 Schoolboy Super Bowl game this morning at Boston University's Nickerson Field.

Andover kicked off to open the game and took possession on the Salem 31-yard line when Paul Rindone recovered a Salem fumble on the kick-off. Andover could not move the ball, however, and was forced to punt.

Later in the first period from the nine-yard line three Andover players gained no yardage and Peter Reilly was wide with a 25-yard field goal attempt.

Andover finally took a 7-0 lead on a 26-yard touchdown pass from Jeff Winters to Glenn Verette with 1:07 left in the first period. Peter Reilly kicked the point.

Salem took the lead midway through the second period after Mark Dubile intercepted a Winters pass at the Salem 15 and returned it to the Andover 36. Two plays later, Salem's Chuck Razney took a pitch-out and went 28 yards to score. The two-point conversion pass was good from Quarterback Bill Pinto to his brother, Steve.

SUPPORT OF MARCH OF DIMES BIRTH DEFECTS JOINT RESOLUTION

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. SYMINGTON. Mr. Speaker, I rise in support of the March of Dimes' Birth Defects joint resolution which I sponsored with my colleagues PAUL ROGERS of Florida, Dr. TIM LEE CARTER of Kentucky, and JOHN SEIBERLING of Ohio.

My special thanks go to House Judiciary Subcommittee Chairman, DON EDWARDS of California whose leadership and hard work have made action on this joint resolution possible during this 93d Congress.

The joint resolution, which has already been approved by the Senate, would establish January 1975 as "March of Dimes' Birth Defects Month." As a member of the House Health Subcommittee, I know birth defects are a major health problem affecting 250,000 American infants each year. One in every 14 births or approximately 700 babies each day are born with some type of defect or handicap.

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More tragically, birth defects cause more than 129,000 deaths a year according to a 10-year study by University of Florida medical researchers. Birth defects are implicated in more than half the deaths of preschool children and are responsible for the deaths of almost 40 percent of elementary age young people.

This joint resolution is a measure of the kind of Federal interest and attention which is needed so research, treatment, and counseling of all those affected by birth defects can go forward. For the information of my colleagues and the public, I insert the highlights of my remarks of June 28, 1974, on sponsorship of this joint resolution be made part of the House discussion of this needed measure:

REMARKS OF HON. JAMES W. SYMINGTON

PROGRAMS FOR PREVENTION OF BIRTH DEFECTS

Every child should enter the world undamaged by defects, events that take place during pregnancy. Statistics prove that a program of prevention is a necessity.

Programs of prevention require great emphasis on prenatal care. The National Foundation/March of Dimes through its more than 2,300 chapters covering every county in the United States, has initiated numerous programs at the local level to see that expectant mothers receive adequate prenatal care. Working with all elements of the community, prenatal care projects have been established that now help bring medical services and health education to families in an increasing number of localities. The National Foundation helped initiate nationwide programs such as "Operation Stork," "Better Infant Births," and "Stork Nests" in conjunction with other volunteer groups. It has cosponsored prenatal care clinics with hospitals and public health departments in inner city and rural areas. Beside adequate medical care, the prenatal care programs stress the importance of nutrition to mothers both before and during pregnancy and to the newborn.

Congress has also responded to these problems through the passage of the maternal and child health services provisions of the Social Security Act. This act has resulted in the establishment of 61 maternity and infant projects in 34 States and 8 intensive care projects for high risk infants. The National Foundation/March of Dimes programs have acted as referrals to these projects.

In addition, Congress has established the special supplemental food program for women, infants, and children—(WIC program)—under section 17 of the Child Nutrition Act of 1966. The National/March of Dimes has been working closely with the Department of Agriculture and the local communities to implement this program and to develop appropriate systems of evaluation.

Next year, our House Health Subcommittee with the bipartisan leadership of Paul Rogers and Dr. Tim Lee Carter will continue its support of Public Health Service Act research funds for work into the causes and treatment of birth defects as part of the total Federal medical research effort.

The National Foundation/March of Dimes makes extensive grants each year for research into the underlying causes of birth defects and also into the best methods of diagnosis and treatment. The internationally famous Salk Institute for research has been built and largely supported by March of Dimes funds.

The National Foundation/March of Dimes sponsors a network of medical service programs throughout the country. Through these programs children with birth defects receive diagnosis and treatment by teams of medical experts. More than half of the programs also provide genetic counseling. At

others, high risk pregnancies are monitored and intensive care is given to critically ill newborns. These programs are administered by hospital medical centers.

EDUCATION AND PUBLIC INFORMATION

The education and training of professionals to provide the broad range of services required is another goal. The National Foundation/March of Dimes provides leadership in this area with symposia to educate family practitioners in genetics and courses for nurses in intensive care of critically ill newborns as examples. Fellowships are awarded to outstanding investigators and clinicians and scholarships are made available in the health specialties. Of particular importance is the dissemination of knowledge about birth defects and their treatment through the publication of original articles and reprints, the distribution of audiovisual films on genetics and the publication of a "Birth Defects Atlas and Compendium" as a resource tool for doctors.

Of equal importance is the dissemination of knowledge to the public and especially to the prospective mother. The National Foundation/March of Dimes volunteers throughout the country carry the word in person and through hundreds of thousands of pamphlets and booklets to all parts of the community. Prospective mothers must know the importance of early and regular medical attention in pregnancy and why it is her best safeguard in reducing the risk of maternal complications and hazards to her unborn baby.

FOCUSING ON THE NEED

In the crusade against birth defects, it is necessary for the people of the United States to consider fully the nationwide problem and its effect on present and future generations. By authorizing the President to designate January of 1975 as "March of Dimes Birth Defects Prevention Month" will be the vehicle through which information about education, nutrition, and prevention of birth defects is transmitted to the public. I urge my colleagues to support this resolution.

ROAD TO DÉTENTE MUST BE BASED ON COMMON DECENCY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. CRANE. Mr. Speaker, there has been much legitimate criticism of the policy of détente which has been implemented during the past period of American foreign policy.

The New York Times, for example, has noted that—

No one is going to oppose the ideal of Soviet-American détente . . . The issue is whether the pursuit of détente is being wisely conducted, with proper regard for fundamental interests and full realization of pitfalls as well as rewards.

The Times' conclusion is that—

The danger of détente as it has been pursued . . . is that the United States may get an eloquently expressed design for interrelationships, while the Russians get a new generation of computers. Compounding this imbalance, principles of behavior—however solemnly agreed—can be readily revoked; technological knowledge once disclosed can never be withdrawn.

Recently, George Meany, head of the AFL-CIO, stated in testimony before the

Senate Foreign Relations Committee that the policy of détente with the Soviet Union was "one-sided appeasement." While détente has produced a "silly euphoria" in the West, Mr. Meany said, it is viewed with cold calculation in the Soviet Union which, he pointed out, sees it as based on U.S. weakness, as a means of intensifying ideological warfare, as a means of undermining NATO, and as a means of attaining ultimate military superiority over the West.

An important analysis of the current détente policy has been written by Isaac Don Levine, a man whose long and eminent career in journalism, spans more than half a century. Mr. Levine, himself a native of Russia, covered the Russian Revolution as a reporter for the New York Herald Tribune, and has been a keen observer of Soviet affairs ever since.

Mr. Levine expresses the view that—
All experience with expanding totalitarian powers, from Mussolini's Fascism, Hitler's National Socialism and Stalin's Communist imperialism, has shown that a workable accord with such a regime can be achieved only on the basis of superiority of force enjoyed by the free world.

Yielding ground to such a power, Mr. Levine declares:

In the expectation of gaining favor with it or cementing a true friendship is a sure invitation to aggression, as little Finland learned in November 1939 when she yielded to Soviet pressure to withdraw her troops from the border zone. On November 30, the Soviet forces attacked Finland and bombed Helsinki. . . .

Unfortunately, our détente policy seems to be one which has shown little concern for national strength. Mr. Levine states that to ignore history's lessons—

Is to expose the very life of a free society to mortal danger. The United States took to that road in the course of the protracted SALT negotiations initiated in Helsinki and Vienna by the Nixon Administration and then virtually stalemated for years until the spring of 1972 when President Nixon made his well publicized journey to Moscow which resulted in the SALT treaty. . . . It is now a matter of common knowledge that under these suddenly improvised pacts the President conceded to the Soviets a steep increase of land-based ballistic missiles to the number of 1,618 as against 1,054 for the U.S. and an even more awesome advance in submarine nuclear missiles.

Mr. Levine concludes that—

The road to a genuine détente in our relations with Russia can only be found by a free world leadership convinced, in the words of Orwell, "that human society must be based on common decency."

I wish to share with my colleagues the article by Isaac Don Levine which originally appeared in the Strategic Review and was reprinted in the October 5, 1974, issue of Human Events, and insert it into the RECORD at this time:

ROAD TO DÉTENTE MUST BE BASED ON COMMON DECENCY

(By Isaac Don Levine)

From President Franklin D. Roosevelt to former President Richard Nixon, the United States has vigorously pursued a grand design for an era of peace premised on the cooperation of the Soviet government.

U.S. hopes have repeatedly been dashed by the hostility of Soviet responses, but the basic design has not been abandoned. SALT

I and the October War reveal how far the United States has gone and how costly its pursuit of peace can be. Presidents should forswear summit negotiations and meet there only to sign previously agreed-to documents.

Disarmament should take the place where belligerence reigns—in the Middle East and Southeast Asia. Oil wealth should be committed to the development of blighted lands. And cooperation in trade should be extended only to countries in which labor is not enslaved.

The principles of freedom should be voiced vigorously in all forums. There can be no true détente except on the basis of common decency.

The grand design for an era of peace sketched and promoted by Roosevelt and Harry Hopkins over 40 years ago, and recently refurbished and pursued with renewed vigor under the label of détente by Nixon and Henry Kissinger, is now undergoing its acid and final test.

President Nixon's histrionic hajj to Mao Tse-tung's red Mecca was carried out in the spirit and tradition of FDR's pilgrimages to Soviet-occupied Teheran and to Yalta for his long-coveted meetings with Stalin. And although the framework of this latest model of a durable world peace has not yet been completed, it is already creaking at every joint.

It is scarcely necessary to recapitulate here the score of well-known occasions when the United States went far out to chase the *fata morgana* of an enduring settlement with the Kremlin.

From Nov. 16, 1933, when Roosevelt and Maxim Litvinov signed the accord which extended recognition to the Soviet dictatorship, to our own days, the air has been reverberating with the familiar tunes of the grand design.

And what did that design promise to the American people and to the rest of the free world? Peace in our lifetime. Lucrative trade to the merchants. High profits to the financiers. Increased employment to industry and labor. Liberalization of the despotic system within the Soviet Union.

The rationale for seeking an understanding with the Communist outcasts was sounded by FDR in his groundbreaking message of Oct. 10, 1933, to the head of the Soviet government, proposing to put an end to the "present abnormal relations between the 125 million people of the United States and the 160 million people of Russia."

Since then, this keynote has been struck again and again by American policy-makers and replayed as a stirring novelty by President Nixon when he ushered in his ping-pong diplomacy.

It is a theme which evokes the noble ideal of the brotherhood of man and it is imbedded in at least four outstanding instruments of the grand design: the Roosevelt-Litvinov recognition agreement and the subsequent Consulate Treaty, the Atlantic Charter of Aug. 14, 1941, subscribed to by the USSR, in the Declaration of the United Nations of Jan. 1, 1942, and the Teheran Declaration of Dec. 1, 1943.

These pacts, to which the Soviet government is a solemn party, contain pledges to uphold and practice the principles without which normal relations among civilized nations are impossible.

The pledges included, under the aegis of a common dedication to peace and the enactment of measures of disarmament to ease "the crushing burden of armaments," assurances that "all men in all the lands may live out their lives in freedom from fear and want," permitting "all men to traverse the high seas and oceans without hindrance," securing "the elimination of tyranny and slavery, oppression and intolerance" and aiming "to preserve human rights and justice in their own land as well as in other lands."

By living up to these contractual conditions, the freedom of emigration and the untrammelled flow of news and ideas among the people of all countries would be guaranteed. Reinforcing these undertakings is the covenant of the United Nations dedicated, among other things, to faith in "fundamental human rights."

While the world press and other organs of public opinion were debating the pros and cons of the looming crisis for the détente policy, the New York Times in a dispatch from Moscow dated April 12, 1974, reported an incident which in itself posed no threat to world peace, but which nevertheless goes to the very heart of the problem of how to build an enduring understanding between the West and the Kremlin. The report read in part:

"Soviet policemen today grabbed and marched off a middle-aged Russian couple who tried to enter the American Embassy, then drove them away in an unmarked black sedan, apparently for interrogation."

"The noontime incident, witnessed by a handful of bystanders that included some American diplomats and their wives, was the latest in an apparent new effort by Soviet authorities to restrict access to the embassy."

"Yesterday, two Soviet nationals were taken into custody by policemen when they sought to enter the embassy's consular section to discuss prospects for joining relatives in the United States."

"Both were carrying written invitations from the embassy, which has taken to issuing such letters to help Soviet visitors get past the policemen on duty outside."

"The two were physically intercepted. . . . According to eyewitnesses, two policemen hustled them roughly off in the rain to a warming shack on a side street under the supervision of the senior police officer on duty."

"Several diplomats who rushed out heard shouts and screams from inside the shack. They could not confirm whether the would-be visitors were beaten by the police, as was initially reported."

No serious student of Soviet affairs will doubt that the incident in Moscow occurred on orders from the highest authorities.

Did Washington issue a clear warning against any further violation of the elementary code of conduct among civilized governments which might involve a rupture of diplomatic relations between the two powers?

Quite the contrary. Secretary Kissinger had spelled out his stand unmistakably during the tempestuous deportation of Nobel Prize-winner Alexander Solzhenitsyn which caused a worldwide revulsion. Dr. Kissinger then publicly conceded that the Kremlin action was a matter of internal Soviet politics.

Without even a remote allusion to Moscow's various pledges in international pacts to observe "fundamental human rights," the secretary of state virtually assured the Brezhnev junta that its domestic barbarities would "in no way be standing in the way of détente."

President Nixon, a few days before the "ugly" Moscow incident, had urged then German Chancellor Willy Brandt, in a meeting in Paris, to "be a little nicer to the Russians."

Would it be so far from reality to suggest that the state of mind of the Nixon White House encouraged the Kremlin, because of the adverse developments for the Soviets in the Middle East, to renew its old bullying tactics by intensifying its siege of the U.S. Embassy in Moscow?

If Solzhenitsyn had compiled a volume recording the cases of affronts, scurrilities, injuries and other instances of uncivilized conduct inflicted upon the United States by the Soviet rulers during the past 40 years—a volume which the State Department

could easily fill with massive evidence—he would probably sum it all up in one of his characteristic comments as follows:

"Dig up the precedents from the courts of Genghis Khan and Ivan the Terrible and you will have the bones of the Communist doctrine of coexistence."

It is, however, to Aleksander Solzhenitsyn and nuclear scientist Andrei Sakharov that we owe a great debt for exposing the theory of Soviet diplomacy which the Kremlin demonstrated in Moscow in front of the U.S. Embassy.

Those two valorous Russian spokesmen were the first in our generation to raise their voices and warn the West that without observing fundamental human rights, no lasting *modus vivendi* with the totalitarian regime is attainable.

Responsible American and European statesmen took up their cry. Sen. Edward M. Kennedy (D.-Mass.), in his conference with Leonid Brezhnev in the Kremlin on April 21, joined it when he obliquely raised the issue of "the free emigration of peoples," not as a high international obligation, but in the form of a plea for "magnanimous action" on the part of the Soviets that would promote the "condition needed for our own progress in controlling nuclear arms."

The record cited here should suffice to formulate the precondition of a workable relationship with the Soviet oligarchy which would command credibility in the courts of world opinion:

A decent mutual regard for all members of the family nations, with the unswerving observation of solemn pledges guaranteeing unobstructed intercourse among citizens of all countries, are indispensable to an enduring structure of peace.

All experience with expanding totalitarian powers, from Mussolini's Fascism, Hitler's National Socialism and Stalin's Communist imperialism, has shown that a workable accord with such a regime can be achieved only on the basis of superiority of force enjoyed by the free world.

To assure a viable peace, this superiority must rest on a force in being, wielded with restraint, without resort to bullying, to exercises in violence, to threats, blackmail or other forms of extreme pressure.

As all totalitarian rulers are deeply ridden with fear, usually rooted in the illegitimacy of their governments, it is not surprising that common to them all are bluster and aggression. The history of our times has demonstrated that equality is not a workable principle in dealing with a modern out-and-out dictatorship.

Yielding an inch to such a power in the expectation of gaining favor with it or cementing a true friendship is a sure invitation to aggression, as little Finland learned in November 1939, when she yielded to Soviet pressure to withdraw her troops from the border zone. On November 30, the Soviet forces attacked Finland and bombed Helsinki, which led to Russia's expulsion from the League of Nations two weeks later.

To ignore this experience is to expose the very life of a free society to mortal danger. The United States took to that road in the course of the protracted SALT negotiations initiated in Helsinki and Vienna by the Nixon Administration and then virtually stalemated for years until the spring of 1972 when President Nixon made his well-publicized journey to Moscow which resulted in the SALT treaty and interim agreement.

It is now a matter of common knowledge that under these suddenly improvised pacts the President conceded to the Soviets a steep increase of land-based intercontinental ballistic missiles to the number of 1,618 as against 1,054 for the United States and an even more awesome advantage in submarine nuclear missiles.

It was claimed in explanation of this concession that the U.S. superiority in numbers

of MIRV warheads offset the Soviet superiority in missiles; though our representatives knew that Soviet MIRVs would soon dispel this advantage.

What has never been authoritatively divulged to the American people are the considerations of political expediency which led our diplomacy to make such a major concession to the Kremlin. It was widely proclaimed that the next round in the negotiations, SALT II, would lead to a substantial reduction of nuclear arms on both sides.

However, sober observers warned at the time that the great concession to the Soviets would boomerang and, instead of meeting Washington halfway in an accord for curbing offensive weapons, Moscow would take our sacrifice as a sign of weakness and seek further advantages.

In March 1974, during Secretary Kissinger's mission to the Kremlin to pave the way for the President's trip to Moscow in June, Brezhnev made his unyielding position clear.

And the following month the Soviet army was testing in Syria, under actual war conditions against Israel, its latest model missiles with multiple warheads, according to the Beirut *Al Moharrer*, which revealed that these missiles "could fire between three and seven warheads." Another paper, *Al Safir*, described the new weapons as "SAM 9s, among the most sophisticated surface-to-air missiles in the Soviet arsenal."

What does this mean to the security of the United States? A rapid escalation of the nuclear arms race brought about by a diplomatic game of short-sighted diplomacy. In the face of the blank wall behind which the Soviet leadership has taken its stand on the top critical issues involved in SALT II, it is not too late to redress some of our lost ground.

Would a return to the time-honored principle of conduct among heads of state, consonant with the status of the United States in the ranks of world powers, not be a salubrious riposte to Moscow's increasing appetite and intransigence? Such a breakthrough in reverse is now called for.

Thirty-six years ago, before Solzhenitsyn's message rang out around the globe, George Orwell foresaw the ultimate evolution of the Soviet state and dedicated himself to the promotion "of intellectual decency, which has been responsible for all true progress for centuries past, and without which the very continuance of civilized life is by no means certain."

The road to a genuine détente in our relations with Russia can only be found by a free world leadership convinced, in the words of Orwell, "that human society must be based on common decency."

OUR NATION SALUTES THE PREAKNESS VOLUNTEER FIRE CO. NO. 4, WAYNE, N.J., ON ITS GOLDEN 50TH ANNIVERSARY CELEBRATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. ROE. Mr. Speaker, it is indeed my privilege and honor to call to the attention of you and our colleagues here in the Congress a most historic celebration that is taking place in my Eighth Congressional District, State of New Jersey, and request that you join with me in extending greetings and felicitations to the officers and members of the Preakness Volunteer Fire Co. No. 4, on its observance of 50 years of selfless dedication and

exemplary service in safeguarding and protecting the people and property of our community, State, and Nation.

May I commend to you the following public safety officers and ladies auxiliary of Preakness Volunteer Fire Co. No. 4, who continue to carry on the sterling tradition of the firefighters of America, second to none, with distinction and honor:

LINE OFFICERS

The Honorable: Robert Daniels, Chief; Phil Teresi, Assistant Chief; George Kar-amanol, Captain; Robert Kuiken, 1st Lieutenant; Walter Johnson, 2d Lieutenant.

FORMER CHIEFS

Robert Gordon; James Jarvis; John Kooreman; and Matt Perkins, Sr.

EXECUTIVE OFFICERS

Robert Gordon, President; John Babitz; David Herman, Sr.; John Kooreman; and Chuck Neidlein.

FIREMEN

Charlie Bogert; Bob Chetirkin; Tom Duncan; Jerry Elia; Greg Froehner; Brian Hamilton; Mike Jaco.

Nick Kuipers; John Nee; Matt Perkins, Jr.; Walter Riker; Dan Shuler; Wayne Shell; Bob Smith; Charlie Valt; and John Wozniak.

THE LADIES AUXILIARY

Dale Wielenga, President; Gayle Babitz; Evelyn Duncan; Marilyn Elia; Louise Gordon; Virginia Gross.

Amy Hillwong; Barbara Johnson; Mary Kuiper; Mary Mechan; Viola Muller; Barbara Nee; and Loys Neidlein.

Harriet Perkins; Jenny Perkins; Ellen Ridgway; Jenny Ridgway; Betty Schuler; Jean Simon; and Marie Terica.

To acquaint you with the early beginnings of the Preakness Volunteer Fire Co. No. 4 and its progress over this past half-century, with your permission, Mr. Speaker, I would like to insert at this point in our historical journal of Congress, the story of this most distinguished fire company which was presented to me and other guests at the 50th Firemen's Anniversary Ball held at the Wayne Manor on November 30, 1974, in celebration of this historical occasion. The statement of its history is as follows:

EAST PREAKNESS SCHOOL NO. 6 WAS ONCE PREAKNESS CO. 4 HEADQUARTERS

When Nick Cassidy's barn on Ratzer Road in East Preakness burned down and the spectacular blaze destroyed all the livestock in it, the residents of that extremely rural section of Wayne decided it was time to do something to fortify their fire protection.

Thus it was, early in 1924, that Preakness Volunteer Fire Company Number 4 was formed. The first meeting was held in the home of the late Passaic County Freeholder, James Ratcliffe, father of Jack Ratcliffe, who served Wayne as committeeman for almost a quarter of a century and grandfather of Robert Ratcliffe, presently president of Wayne's Board of Education.

The Company's first fire-fighting force was comprised of 12 volunteers. Their meeting headquarters was old East Preakness School No. 6 which stood on the site now occupied by Giannone's Service Station on Ratzer Road. The new Company's first fire engine was a Day Elder and it was housed in the late Harry Tintle's Garage on the corner of Ratzer Road and Hamburg Turnpike. Tintle, it will be recalled, also served as township committeeman for more than 20 years.

The ground on which the present firehouse stands was purchased from Frank Torbet, Sr., "for a song". It was due to the generosity of three area families that the company was able to meet its financial commitments. They were Hobart, Gaede and Mills families. This is the same Hobart who was Vice President of the United States. The Gaede (Gaede's Hill is named after them) owned a prosperous silk mill in Paterson while the Mills family owned and operated the well known Mills Wholesale Hardware business in Paterson. It should also be noted that Paterson State College is now on the site of the Hobart Estate which was bequeathed to the State for that purpose.

The original firehouse was completed in 1925. A large addition was completed in 1953. A third addition was completed in 1973. The 35 active members under Fire Chief Robert Daniels now operate two pumpers, one truck plus an auxiliary wagon and the chief's car.

The township at the time the fire company was formed was largely rural. Its schools were for the most part two room buildings. There were six such schools. One was in what later became the municipal building and American Legion building; the second, Lower Preakness, stood on the site of the present Anthony Wayne Junior High School; the third, in Upper Preakness, was on the site of the present modern school and is now a library; the fourth was the Pompton Falls School on Hamburg Turnpike, near the North Jersey Butchers; Number 5 was at Black Oak Ridge Road and Ratzer Road and Number 6, as has been stated, was Earl Preakness School on Ratzer Road.

Although there has been a population and building explosion in Wayne and the population has jumped from under 5,000 at the time Preakness 4 was formed to more than 60,000 now, 50 years later, one similar fire problem exists . . . distance. That is why Preakness Volunteer Fire Company No. 4 believes in buying, maintaining and operating extremely fast and mobile equipment designed to cope with fire hazards of a community which is essentially residential and in which even new industry has preferred to build, for the most part, one story structures.

Mr. Speaker, we are all proud of the dedicated men of the public safety corps throughout our country and today I seek this congressional recognition of the fire-fighting volunteers of our community in tribute to their outstanding contribution to the history of our Nation and the safety and well-being of our people. Our Nation does indeed salute the members and families of the Preakness Volunteer Fire Co. No. 4 with deepest appreciation for their outstanding public service to mankind.

SCHOOLS, PARENTS, AND TEXTBOOKS

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. QUIE. Mr. Speaker, in recent weeks there has been a great deal said and written about the school textbook controversy. One of the most recent speeches on the subject was by U.S. Commissioner of Education Terrel Bell in a December 2 meeting of the Association of American Publishers. Because the Commissioner's speech created so much interest in the press, I am inserting the full text

of that address so that my colleagues may have the opportunity to read his actual remarks in full context:

The speech follows:

SCHOOLS, PARENTS, AND TEXTBOOKS (By Terrel H. Bell)

As I look around and see how many publishing houses are represented here today, I feel somewhat like Dorothy and her friends confronting the Wizard. Remember that vast hall, those flashing lights, the booming voice, all those symbols of absolute spine-tingling authority?

I could be similarly intimidated by this audience, because you are the wizards, the power structure of the children's trade and textbook industry. The member companies of AAP's School Division produce more than 80 percent of all instructional materials used in the Nation's schools, and other AAP divisions increase the total to 90 percent or more.

But I am not intimidated by all this because, first, I know that you are accomplished professionals doing your best to give educators the materials they need and want; and, second, I know that after a few scary passages Dorothy and her friends came out all right.

You have a tremendous job to do, and you do it very well. To turn a profit, even to stay in business, you have to sell enough school officials in 50 States and some 17,000 school districts on the quality and relevance of your products. That alone requires you to keep up with changes in teaching methods, subject matter, and social attitudes, not to mention changes necessitated by legislation on civil rights, women's rights, and other matters by Congress and the State legislatures and by court decisions.

Yet I believe you have a responsibility above and beyond your responsibility to your stockholders to produce books, films, and other materials that schools will buy. This larger responsibility is to parents and students and communities. It has to do with the school as an institution that must be responsive to the community that supports it. It has to do with the wishes of parents who entrust the education of impressionable young children to teachers they scarcely know, or don't know at all, whose values may differ somewhat from their own. It has to do with the subjects you select for books and other materials and how these subjects are handled.

The *Wizard of Oz*, corny as it may seem to TV-oriented young people today has always struck me as about the right combination of suspense, which naturally appeals to children, and the happy ending that takes the edge off the spooky parts. This children's classic is a far cry from some of the current juvenile literature that appears to emphasize violence—and obscenity—and moral judgments that run counter to tradition—all in the name of keeping up with the real world.

What is really taught in a story about a boy who drowns a favorite family cat to make his parents love him more? What is really conveyed to children when they are asked to debate the pros and cons of stealing, the implication being that sometimes it is all right to steal? To be relevant do high schools really need to offer a story about a hundred-dollar whore? Assuming that there are great concepts to be taught in the stories about prostitutes, stealing, and drowning cats, do we need to dwell so much on the sordid details?

In recent weeks such books and films have provoked literally violent reactions from parents. Certainly I deplore this violence. It is no solution. But there are fundamental issues involved. I would like to comment on some of these issues and talk about the content and selection of instructional materials and about where I think the respon-

sibilities of publishers and educators and parents begin and end.

I think we all need to go back to the basic question: What is the purpose of the American education system and how can instructional materials be used more effectively to fulfill that purpose?

There are the obvious and immediate answers. Clearly, a primary function of education is to give children and young people the skills—from the Three Rs up—to function in a complex, highly technical society. Beyond that is the need to broaden their intellectual horizons and enhance their problem solving abilities.

But America has always asked more of its schools and colleges. Many of you remember the children's books written by Abraham Rosenbach in the 1930s. Dr. Rosenbach made a profound observation about juvenile literature. He said that subjects dealt with in children's books, more than in any other class of literature, reflect the attitudes of the generation that produces the books. By implication, these attitudes cover the range of social concerns—politics, religion, ethics, race relations, boy-girl relations, work, family, country, and individual goals and aspirations. School books, in other words, are a distillation of the values and attitudes that one generation wants to pass on to the next.

With the Nation's Bicentennial approaching, we are increasingly conscious of our heritage and our beginnings, and in historical perspective I think Dr. Rosenbach's theory holds up well.

Children in the Massachusetts Bay Colony were taught to read in order to read the Bible and further their religious education. Writing and arithmetic had much lower orders of priority. This conscious decision by parents was undoubtedly based on strong conviction—increased, no doubt, by the hardships the colonists were enduring to give their children a new start in a new land.

Similarly, McGuffey's famous readers stressed the values that Americans in the late 1800s wanted to instill in their children—patriotism, integrity, honesty, industry, temperance, courage, and politeness. These readers sold 120 million copies. While McGuffey's selections from great literature would seem stilted by today's standards, there was certainly nothing wrong with the values they taught. We could use more emphasis on some of those values today.

I do not mean to imply that parents today expect the same things from the education system that parents did in colonial America or the Victorian period. Actually, they expect far more. Parents are better educated, more widely traveled, and—thanks largely to television—more aware of the world than parents of any previous generation. So are students. Publishers must be aware of this sophistication. At the same time, they must recognize that we have compulsory attendance laws and that children are the captive audience of the schools. Parents have a right to expect that the schools, in their teaching approaches and selection of instructional materials, will support the values and standards that their children are taught at home. And if the schools cannot support those values they must at least avoid deliberate destruction of them.

One of the real problems in the production and selection of instructional materials is that parents and communities differ so widely in what they consider appropriate. We are probably the world's most polyglot nation, with many subcultures increasingly interested in maintaining or re-establishing their identity in the larger society. We come from many socio-economic backgrounds. We have many divergent religious viewpoints. Our positions on politics and education and other things that matter run the gamut from ultra-conservative to ultra-liberal.

Your companies are doing a fine job in responding to the needs of these various sub-

cultures and communities. You are beginning to offer materials that reflect the rich cultural heritage and values of our Native American, Spanish speaking, and other minority populations. You are also beginning to get a handle on the sex stereotype problem, getting the girls out of the kitchen and the boys out of the treehouse—or at least letting the girls join them.

Certainly, these new materials need to include an introduction to the problems and pitfalls that children are likely to encounter as they grow up. Learning about the adult world is fundamental to the learning process itself. Surely this can be done without resorting to explicit violence, or explicit sex, or four-letter words. Most of the mass media are still pretty careful, rightly I think, about controlling the use of obscene language in TV and radio programming and in printed materials that reach into millions of American homes. (There are some exceptions, of course.) And I am happy to see that violence on television is not quite so gory as it used to be.

True, some people say that children are still exposed to more violence on television in a single evening than they are likely to encounter at school in a whole term. This may be true, but it is not the issue. What children are exposed to in the home is totally the responsibility of their parents. Parental judgments may vary a great deal, and what children are allowed to watch on TV will reflect these judgments. But when parents send their children to school they delegate some of this authority to school administrators and teachers. These professionals should in turn respect the broad spectrum of parental attitudes represented by the children in their classrooms.

Let me turn now to the question of academic freedom and the implied threat of academic censorship that some people may read into what I have said.

I recognize that much of the world's great literature is full of violent scenes and situations. As a teenager, I shuddered as I read the closing pages of *A Tale of Two Cities*. . . . Madame Defarge knitting as the tumbrils rolled up to the guillotine.

It was high drama. Madame symbolized the Reign of Terror. But overriding her glee at the fall of the French aristocracy was the nobility of the sacrifice being made by Sydney Carton as he mounted the scaffold. Violence served as the vehicle to say some powerful things about love and honor and trust and responsibility. There are basic human values, and they are the forces that make great books great. I am not sure they are present to the extent they should be in some of the current literature purchased by schools for classroom and library use.

As scholars prepare new textbooks and other materials, as you publish them and schools select them, I hope everyone involved will keep in mind the idea behind an anecdote I heard the other day.

Following some dispute or other, Johnny poked his classmate Robert in the nose. Naturally, the teacher chastised Johnny for this action, and Johnny replied: "It's a free country. I know my rights."

"Well, yes," the teacher said, "you have rights, the same rights your classmates have and every American has. But your rights end where Robert's nose begins."

I think this little story says some important things. In writing textbooks and other materials for school use, scholars do have the right, indeed the obligation, to present new knowledge and to comment on social changes in ways that will stimulate and motivate students, excite their curiosity, and make them to learn. Teachers have both the right and obligation to use these materials in ways that will enhance the learning program. Indeed, teachers are getting to be very creative in developing supplementary materials to illustrate and expand on textbook themes, and this creatively should be encouraged.

But I feel strongly that the scholar's freedom of choice and the teacher's freedom of choice must have the approval and support of most parents. I do not suggest that we seek to win approval of all parents, for that would not be attainable—but schools without parental support and approval are headed for failure. Without having books and materials that are so namby-pamby they avoid all controversy, we must seek published materials that do not insult the values of most parents. Where there is basic conflict, no one really wins, and children suffer. However, parents have the ultimate responsibility for the upbringing of their children, and their desires should take precedence. The school's authority ends where it infringes on this parental right.

I say these things knowing that parents, being human, can also be dead wrong, at least in the opinion of some educators and other members of society. I know that parents can have religious convictions or moral convictions that differ from those of the school people. And every society has at least a few holdouts against legal and established institutions. Nevertheless, of whatever ethnic background or philosophical persuasion, most parents are responsible arbiters of their children's best interests. We must pay more attention to their values and seek their advice more frequently.

So I think the children's book publishing industry, and the schools, need to chart a middle course between the scholar's legitimate claim to academic freedom in presenting new knowledge and social commentary on the one hand, and the legitimate expectations of parents that schools will respect their moral and ethical values on the other.

Fortunately, some of the newer instructional approaches will help to dehorn the dilemma in time. Certainly, wider use of individualized instruction for each child will give his or her parents the opportunity to rule out an objectionable book or film without affecting other children.

What the present controversy comes down to, I believe, is a growing concern on the part of parents that they have lost control over their children's education and therefore over their children's future.

You can do much to restore that confidence. We need instructional programs, for instance, that teach the principles of modern mathematics but also show pupils how to add and subtract. Parents are uptight about this one. We need programs that incorporate the career education concept into academic studies so that young people will know where they are heading when they leave school or college for the world of work. We need good literature that will appeal to children without relying too much on blood and guts and street language for their own sake. We need films and other materials that are realistic about the world we live in yet make young people want to be a part of it.

For impressionable young minds, it is easy to document and decry the world's evils. It is more difficult to end on an upbeat note that gives youngsters something to hang on to. Young people need faith and hope and confidence in the future. They need a yellow brick road. And I don't see much wrong with a rainbow either.

GETTING THE BIGGEST BANG FOR THE BUCK

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Ms. HOLTZMAN. Mr. Speaker, President Ford's feeble effort against inflation

consists primarily of an attack on Government spending for human needs, and leaves our bloated military budget untouched. Not only is this approach ineffective, but it places the heaviest burden on those who have suffered most from inflation—the elderly, the poor, and those living on fixed incomes.

We must reorder our priorities to focus on the country's domestic needs: on the economy, employment, education, health, housing, and the environment. We must consider each proposed Government expenditure, not only in terms of how much it adds to the Federal budget, but in terms of what else might be bought with those funds.

The following table prepared by Prof. Seymour Melman illustrates this choice dramatically by showing the cost in domestic programs of various military expenditures. I commend this table—which appeared in the New York Times on December 4, 1974—to my colleagues in the hope that they will join me in trying to direct Government efforts to the real problems and needs of our constituents.

The table follows:

GETTING THE BIGGEST BANG FOR THE BUCK . . .

(By Seymour Melman)

Following is a list of some civilian and military trade-offs adapted from the book "The Permanent War Economy." The author is professor of industrial engineering at Columbia University and national co-chairman of SANE.

66 low-cost houses equals \$1 million equals 1 Huey helicopter.

Unfunded housing assistance in Arkansas equals \$100 million equals 1 DD-963 destroyer.

257 apartments in New York City equals \$9 million equals 1 Navy A6-E Intruder plane. Impounded Federal housing funds, 1972 equals \$130 million equals 8 F-14 aircraft.

Vetoed Environmental Protection Agency plan to depollute the Great Lakes equals \$141 million equals 1973 request for new airborne nuclear-war command post.

1973 unfunded Housing and Urban Development water and sewer requests equals \$4 billion equals cost excess on F-111 aircraft.

National water-pollution abatement, 1970-75 equals \$38 billion equals cost excess for 45 weapons systems.

National solid-waste-treatment program equals \$43.5 billion equals B-1 bomber program.

Total environment cleanup equals \$105.2 billion equals new weapons systems in development or procurement.

1 high school in Oregon equals \$6.25 million equals amount paid by 1 Oregon county to support military.

Unfunded program to upgrade rural American life equals \$300 million equals 5 C-5A aircraft.

Unfunded 1973 rural health care equals \$22 million equals 50 per cent of Lockheed Cheyenne helicopter funding increase, 1973.

Child-nutrition programs funding cut equals \$69 million equals 2 DE-1052 destroyer escorts.

Special Milk Program funding equals \$1 million equals 1 Main Battle Tank.

Health, Education, and Welfare public assistance cut, 1973, equals \$567 million equals 3 nuclear attack submarines.

To bring all poor Americans above poverty line, 1971, equals \$11.4 billion equals B-1 bomber program, low estimate.

To eliminate hunger in America equals \$4.5 billion equals C-5A aircraft program.

Vetoed child-care program equals \$2.1 billion equals development excess on B-1 bomber program.

Philadelphia 1971 schools deficit equals \$40 million equals 1 B-1 bomber.

Reopening New York Public Library week-ends and holidays equals \$900,000 equals 1-year operation 6 Huey helicopters.

For each of 250 communities, 3 equipped schools; also, 1-year salaries for 35,714 teachers equals \$6 billion equals 6,000 aircraft lost in Indochina by October, 1969.

Graduate fellowship funding cut, 1973, equals \$175 million equals 1 nuclear aircraft carrier.

New Orleans unfunded urban development, 1973, equals \$94 million equals 2 months' Laos bombing.

1972 housing funds impounded equals \$50 million equals 3 F-14 aircraft (\$57.6 million).

1973 Newark needs for urban renewal equals \$125 million equals 4 DE-1052 destroyer escorts.

1973 cities' needs to rebuild blighted areas equals \$3 billion equals 1 nuclear aircraft carrier, equipped, and escorts.

1971 Detroit city deficit equals \$303 million equals 3 F-15 fighters (\$27 million).

1972 Federal health budget deficiency equals \$2.3 billion equals overruns on C-5A aircraft and Main Battle Tank.

1972-73 cut in Federal mental-health budgets equals \$65 million equals 1 C-5A aircraft (\$60 million).

1972-73 funds reduction for training health personnel equals \$140.9 million equals 1 DE-1052 destroyer escort, and 1 DD-963 destroyer (\$134 million).

1973 unfunded medical school construction equals \$250 million equals cost excess on M-60 Sheridan tank.

MOTHER ELIZABETH SETON

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. DENT. Mr. Speaker, yesterday Pope Paul VI announced the confirmation of the sainthood of Mother Elizabeth Seton, the first native-born American to be so named. Her canonization will be formalized on September 14, 1975 as part of the Church's holy year celebrations.

As an American Roman Catholic I am proud of Mother Seton, but I feel I have an even greater reason to exult in her sainthood; for back home in my district in Pennsylvania there is a small women's liberal arts college, known as Seton Hill, that has, for more than 100 years, been a marvelous religious, cultural and community-minded commemoration of all that projected Elizabeth Seton to sainthood.

Elizabeth Ann Bayley was born in New York City on August 28, 1774, just 2 years before this great country achieved its independence. She married William Seton at the age of 19, and they had five children. Seton, however, died of tuberculosis in 1803, leaving his family penniless in Italy, where they had traveled for his health. Elizabeth had been born and reared in the Episcopal Church, but partially because of the friendship of a Roman Catholic family in Italy she became interested in the Catholic faith, and she converted 2 years later.

Returning from Italy to America, Elizabeth Seton began teaching school in Baltimore in order to support her young family. Several years later she opened what was to prove to be the first Catholic free school in the United States,

providing the seed and the philosophy for the parochial school system in this country. In fact, Mother Seton's endeavors at Emmitsburg, Md., led to the formation of the Sisters of Charity, the first religious order for women in the United States. That order now numbers some 8,000 members. Elizabeth Ann Seton died in 1821, and in 1963 she was beatified by Pope John XXIII.

I like to feel that I am particularly lucky because I live in the shadow of Seton Hill College. Everyone at home has, at one time or another, felt the effects of the important work that the Sisters of Charity are involved in, continuously. Many thousands of children in the parochial school systems of my district have received, from the Sisters of Charity, not only a quality education, but also an impetus toward the goals that Elizabeth Seton found important. Throughout the years the opinions and ideas of members of the Sisters of Charity have been valued in our community affairs. And Seton Hill has long been held as a shining example of the importance of the women's college in cultural and philosophical endeavors. Elizabeth Seton began a tradition that has amply served and benefited the people of the 21st District and in her sainthood she will at last be properly revered and respected for the great and holy woman that she was.

INFLATION IS REAL SOURCE OF UNEMPLOYMENT

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. KETCHUM. Mr. Speaker, I am very concerned about the rising unemployment rate, and the painful fact that more than 6 million Americans do not have jobs. But the bill which passed this House yesterday, the Emergency Jobs Act of 1974, will not cure the underlying causes of unemployment, and will indeed only serve to worsen our economic problems. For that reason, I consider the bill unwise and voted against it.

Inflation is the real source of the current unemployment, and a return to a livable inflation rate would bring about a corresponding drop in unemployment figures. I believe there is a widespread consensus that inflation will never be brought under control until Federal spending is brought into line with Federal income. Yet, here we have a bill costing billions of dollars, with no explanation of where the funds to pay for it will come from. So we simply added to the already outrageous Federal deficit, and did considerably more to worsen inflation.

There are two ways in which our citizens could pay for all these new jobs. We could obtain additional revenue by raising taxes. I think most of my colleagues realize the folly of that course. But if we do not come up with increased taxes, the people will pay anyway, with a hidden tax—a higher rate of inflation and another jump in the cost of living.

So, whatever short-term benefits this bill may provide for a few, it will invariably make things worse for everyone in the long run.

We do not even know how much this bill will cost us. The Senate has been considerably more generous than the House on this matter, and I anticipate that the conference report will recommend expenditures greatly in excess of what we approved yesterday.

What we need to do here, is to enact a type of bill that encourages the private sector to hire more people, to add to their training programs, and to stimulate economic growth. More government spending is not going to make unemployment go away; it never has. What it will do, is perpetuate the kind of fiscal irresponsibility that has become all too common in this Congress, and aggravate our economic woes.

I, therefore, regret the passage of this bill, and hope Congress will undertake some long-term solutions to our problems.

HON. H. R. GROSS

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 9, 1974

Mr. BEVILL. Mr. Speaker, I am pleased to have this opportunity to join my colleagues today in paying tribute to Congressman H. R. Gross, of Iowa, who is retiring at the end of the 93d Congress.

I have known Congressman Gross for a number of years now and in my judgment he is one of the most able Members to serve in the U.S. House of Representatives.

As we all know so well, Congressman Gross has focused much of his attention on the need to reduce Federal spending. In my judgment, he has contributed a great deal toward maintaining a sensible approach to funding various programs. He has rendered a real service to the people of this Nation.

His consistent questioning of the need for new spending programs and his constant prodding into why more money is needed for established programs has led to a substantial savings for American taxpayers.

His unrelenting efforts to eliminate all unnecessary spending have, at times, made him the subject of derision by many who opposed him. But he has maintained an unwavering position and been true to his beliefs.

Most often called a conservative H. R. Gross has been called many other things by his detractors. But this has only reinforced his determination to see that the House retains some fiscal sanity. And even among his detractors he is regarded as one who always has the courage to stand by his convictions.

His work in the Congress has given ample evidence of his devotion to duty and love of country. If other Members had more often followed his lead in fiscal matters, in my view we would not be in our present economic situation.

In his departure from public life, the Nation, the State of Iowa and his own

district will lose a valuable public servant whose place will be hard to fill.

It is my earnest hope that the coming years of retirement for Congressman GROSS will be filled with good fortune and happiness.

OUR PRISONS ARE POWDER KEGS

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. ICHORD. Mr. Speaker, in 1973, the House Committee on Internal Security conducted a wide-ranging inquiry into the exploitation of prison unrest by extremist groups seeking to enlist prisoners in revolutionary movements.

Our committee investigation, especially as it concentrated on conditions in New York, Ohio, and California, marked the first public ventilation of a growing problem in our correctional institutions.

The Reader's Digest, in October of this year, has summed up many of our findings and brought the subject even more up to date in an article by Nathan Adams which I recommend to my colleagues by inserting it at this point in the RECORD. I agree with the quote therein from the top FBI official, "Somebody better wake up before it's too late."

The article follows:

OUR PRISONS ARE POWDER KEGS

(By Nathan M. Adams)

On the morning of May 31, 1973, two inmate-spokesmen for Black Muslim convicts at Pennsylvania's Holmesburg Prison were granted a "grievance hearing" with Warden Patrick Curran and his deputy, Robert Fromhold. No sooner was the meeting under way than the inmates lunged at the officials. Curran and Fromhold were dead within seconds, each stabbed repeatedly with daggers fashioned from table knives. Investigators called it a preplanned, cold-blooded murder. However, such criminals are hailed as heroes and "political prisoners" by both radical inmates and outside extremist groups.

Police and FBI agents in Ohio are monitoring the activities of an extremist group—including former Weathermen—which last year almost succeeded in breaking out a dozen inmates from the Southern Ohio Correctional Institute. The plan called for taking the convicts to a hideout in the hills of West Virginia, where they would undergo training in urban guerrilla warfare. Meanwhile, attacks on the prison staff by militant inmates have increased dramatically. And radical "prison-reform" groups have forced state corrections officials to relax discipline to the extent that one inmate group has been permitted to hold military maneuvers toggled out in combat boots and berets.

Early last March, a letter intercepted by California corrections investigators disclosed a chilling plot to free several of the state's most dangerous convicts. Terrorists of the Symbionese Liberation Army planned to hijack a busload of schoolchildren who were dependents of guards at Folsom Prison. Until the inmates were released, the letter made clear, the hostages were to be beheaded, one a day. Strict new security provisions were immediately enacted, and the plot failed.

STATE OF SIEGE

These shocking incidents are typical of what is happening today in America's prisons. Indeed, extremists have been so successful in their assaults on our antiquated and unwieldy correctional system, and so ef-

fective at intimidating administrators and organizing inmates, that they hold many of the nation's 350 federal and state institutions in a state of near siege. "There is not a major prison in this country," reports a top FBI official, "where revolutionaries are not recruiting inmates. Somebody better wake up before it's too late."

How do the agitators do it? For one thing, they now have near-total access to convicts—thanks to a series of recent federal-court decisions relaxing curbs on inmate-mail censorship and visitation privileges. In most of our large prisons, extremists have enlisted more than ten percent of the inmates, forming them into revolutionary cadres which control the majority of convicts through muscle and intimidation.

The arithmetic of the potential danger is frightening. Authorities estimate that 94 percent of the quarter-million or more offenders presently incarcerated in state and federal institutions will be returned to society within five years. Prison officials agree with radical organizers that thousands of them could emerge as hardened political terrorists. "A ticking time bomb," reports the House Committee on Internal Security, which has probed the situation throughout the country.

LOCKDOWN

California, with the nation's largest inmate population (23,800), has been singled out by radicals as a prime target—with devastating results. In the past four years, 92 convicts have been murdered there, and 265 guards assaulted; 11 of the latter were stabbed to death. The last, Officer Jerry Sanders, was reportedly clubbed and stabbed by two black militants on November 27, 1973, at the Deue Vocational Institution.

Sanders' murder was the final straw for California's Director of Corrections Raymond Procunier. Investigators learned that prison revolutionaries were planning to kill a guard a week. Two days after Sanders' death, Procunier ordered the wardens of four of the state's penal institutions to confine all inmates to their cells in a "lockdown." Once this was done, prison officials classified and isolated extremist inmates.

The tactic worked—temporarily. From December 1973 through last March, the assault rate fell 63 percent. But radicals' criticism of the crackdown has been strong. Militant organizers even publicized a plan to stage a public execution of Director Procunier.

"What is happening here," says Procunier, "is a highly organized attempt to destroy our system of correctional justice. These agitators mean to bring anarchy to the prisons, and, through them, to the streets of our cities. It is an explosive situation."

A look behind the scenes at San Quentin tells why. Originally built in 1852, "Q," as it is known to inmates, has been enlarged and today confines 3500 of the state's most dangerous convicts. Inmates are shoehorned together as many as eight to a cell. Their days are spent aimlessly, wandering the corridors of the four main cellblocks or basking in the sun of the exercise yard. They have only time on their hands—and nothing to do with it.

Under such conditions, it is little wonder that San Quentin is the most violent institution in the United States. Last year, 54 "Q" inmates were stabbed. Narcotics there are almost as easy to come by as they are on the street. Homosexual rape is a daily occurrence. So, too, is revolution. The comic books and girlie magazines once popular with convicts have long since been replaced by the works of Marx and Mao, Che Guevara and Eldridge Cleaver. San Quentin administrators estimate that 85 percent of the magazines and newspapers subscribed to by inmates advocate revolution. In fear of provoking legal action, censors withhold only the most inflammatory literature. Yet what is denied militants through mail inspection reaches them by other means.

Last year, a virulent pamphlet on urban guerrilla warfare was smuggled into San Quentin, reproduced on a mimeograph machine and widely distributed among inmates before guards seized it. A sample of the lesson plan: "Kidnaping is important to the release of political prisoners. Harm to the victim should not be entertained until it has become obvious that demands will not be met. At such a time he should be executed at once. His face should be disfigured by small-arms fire and pictures of the results sent to the newspapers and television stations across the country."

A NATIONAL PATTERN

While California's experience with prison disruption and radical organizers has been the most severe, prisons in other states are increasingly coming under attack. On June 22, 1973, inmates of the State Penitentiary at Florence, Ariz., went on a rampage of destruction. Before state police brought the riot under control, two corrections officers had been killed.

Five weeks later, the Oklahoma State Prison at McAlester exploded in violence. "Let's go!" convicts screamed. "This is a revolution!" Three inmates, reluctant to join in the riot were murdered. Only days later, it was the turn of the Federal Prison at Leavenworth, Kan., where militants rioted and a guard was killed.

Why are these disturbances plaguing our correctional system? And who or what is behind them?

To begin with, the U.S. prison system is, in the words of one warden, "the most violent system in the civilized world, and the most in need of urgent reform." In New York State, four of the seven state prisons were built before the turn of the century—one, incredibly, in 1816. Three of the four penitentiaries in Illinois date back to the 19th century.

Nor is age the only factor. In most American prisons—and in local jails, too—prisoners are squeezed together cheek by jowl in conditions that approach the subhuman. Young, first-time offenders, shoved into overcrowded cells with hardened criminals, are easy prey for homosexual rapists. (A recently paroled mobster promised to shoot his own son before he'd see him incarcerated in an American prison.) Prisons are frequently understaffed, and their guards and administrators poorly trained. Classification of inmates is too often nonexistent.

LEGAL ACCOMPLICES

But if our corrections system has fallen victim to official neglect and public apathy, it has not escaped the attention of others who see in it a unique opportunity to sow the seeds of unrest. FBI and corrections administrators single out the radical National Lawyers Guild (NLG) as perhaps the most important leader of revolutionary prison movements. An organization of activist attorneys formed in 1936, the Guild has grown to 4000 members nationwide. In the past, it was a powerful force in the fight for black civil rights in the deep South. However, in the last decade the leadership has become increasingly radical, and today includes outspoken revolutionaries. Its lawyers have figured prominently in prison disturbances from coast to coast.

In February 1971, the Guild's National Executive Board received a staff report calling for the political organizing of inmates. "The prison work is crucial," said the report, "for only lawyers have relatively free access to jails and penitentiaries. We must see that access is used carefully . . . in providing legal support for prison militancy and organizing." A year later, one militant faction submitted a prison position report stating: "Prisoners are the revolutionary vanguard of our struggle. When prisoners come out, they will lead us in the streets."

One of the most radical Guild chapters in the nation, with a membership of no fewer than 800 practicing attorneys and legal as-

sistants, is located in San Francisco. While Guild officials deny any illegal activity, some evidence has appeared to the contrary. One reported example of the Guild's work; In July 1973, Lee Arthur Smith, a recently paroled inmate at the California Men's Colony at San Luis Obispo, told a Congressional committee, under oath, that he had been ordered by a fellow NLG organizer inside the prison to assault a guard to gain attention for a prisoners' strike. Indeed, he testified, before the assault the planning for the strike was submitted to outside NLG contacts who approved and set a time and date. Badly beaten, the guard survived.

Nor are radical lawyers the only organizers of prison movements in the United States. Vietnam Veterans Against the War (VVAW) has founded a splinter group specifically to concentrate on politicizing inmates. Called the Winter Soldier Organization, it recently staged widespread demonstrations in support of the Leavenworth inmates indicted as a result of the 1973 riots in which the guard was killed. Then there is the National Prisoners' Reform Association, based in Rhode Island, which has managed to organize inmates in nearly every New England penal institution. From March through May 1973, the Association's organizers simply took over Walpole Prison outside Boston. Inmates who refused to join in were stabbed and beaten. In the three months that the Association controlled the institution, prison administrators reported nearly 50 convicts were knifed or badly beaten by Association thugs.

FACING THE SHAME

With the great majority of convicts in U.S. institutions due for parole in the next five years, what can be done to counteract the revolutionary menace? At a minimum, authorities agree, progress must be made, and soon, in the following three areas:

At present, only a handful of penal institutions have investigators trained to recognize the activities of revolutionary organizers. Thus, prison officials are often unaware of what is going on until a prison erupts. The Law Enforcement Assistance Administration is currently spending \$113 million to assist states in running prison programs. Clearly, some of these funds should be used to train investigators.

Despite mounting evidence, state bar associations have refused to take disciplinary action against extremist attorneys. The American Bar Association itself should launch an immediate investigation of the links between prison revolutionaries and outside groups like the Guild.

Finally, the public must be made to recognize the shame of its prisons. New prisons must be built, much smaller than current institutions, where regular inmates can be kept separate from violent offenders and agitators. State and federal governments must begin to make badly needed reforms in such areas as medical care, job-training, rehabilitation and work-release programs. This is not a matter of coddling criminals. It is, instead, the satisfaction of basic human needs.

Time and again, warnings about the state of our prisons have fallen on deaf ears. The time to act is now, before it is too late.

THE ECONOMIC SUMMIT AND THE FUTURE

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. HELSTOSKI. Mr. Speaker, today I would like to share with my colleagues a position paper prepared by Nasrollah S.

Fatemi, director of the Graduate Institute of International Studies, at Fairleigh Dickinson University, which is located in Teaneck, N.J. The paper is entitled "The Economic Summit and the Future," and was prepared by Mr. Fatemi after he attended the recent Economic Summit Conference in Washington.

In his paper, Mr. Fatemi offers many perceptive observations and insights concerning the problems which plague our economy. Copies of his comments already have been sent to President Ford and White House Economic Adviser William Seidman, and today I would like to take this opportunity to share his remarks with my colleagues. The paper follows:

THE ECONOMIC SUMMIT AND THE FUTURE

(By Nasrollah S. Fatemi)

To find a solution to the present economic crisis—soaring inflation, serious recession, high interest rates, and productivity slump, we need major changes in the way in which economic, monetary, and fiscal policies are made in Washington. For three decades the policy makers in Washington have paid attention only to the symptoms of economic problems while continuing policies and practices that have failed to alleviate the critical situation. We have been bandaging wounds which need "radical surgery."

Real improvement—a stable, productive, prosperous economy—will elude us unless the Administration and the Congress, management, labor and consumers are willing to recognize the causes of the present crisis and meet the challenge with courage, boldness, creativity, and pragmatism.

Basically the present situation was caused by the belief both here and abroad that the economic and financial resources of the United States were inexhaustible. This notion, shared and encouraged by successive post-war administrations, encouraged us to spend more than \$250 billion on foreign and military expenditures, plus \$150 billion on the longest and the second most expensive war in the history of the United States.

Lack of attention to our fiscal and monetary policy, and the belief that the country can spend \$400 billion on foreign wars and giveaway projects without some control over wages, prices, interest, and credits, has produced in five years close to a \$100 billion budget deficit; an \$80 billion deficit in balance of payments and, for the first time in eighty years, a balance-of-trade deficit.

As inflation, recession, and unemployment developed, immense effort was being spent on a deceptive public relations campaign to convince the country that "the economic bliss of a generation of peace" was around the corner. Successive economic promises of the past five years have done nothing but apply "time-frames" to ever-worsening domestic conditions. Scapegoats, domestic and foreign, have been sought, identified, and blamed, but inflationary and recessionary drives have accelerated. Why?

1. Strong, steady, honest and courageous leadership was lacking in both the Johnson and Nixon Administrations.

This country needed effective wage, price, profit, interest, and credit controls in 1967. If, at that time, we had understood that it was impossible to spend \$30 billion a year on the war and continue business as usual, most of the present problems could have been avoided. It is tempting for some to point out that Nixon's Wage and Price Control policy failed, forgetting that when it was initiated in 1971, it was a case of too little and too late. Controls cannot be effective if profits, interest, credits, and commodities are exempt from restraints. Furthermore, what was the use of locking the barn door after the horse had been stolen? By 1971, infla-

tion was already in full swing, the cost of living having risen 21 percent in four years. And then the wheat deal with the Soviet Union not only deprived the United States of a vital food reserve but caused the price of wheat to quadruple throughout the world.

2. The wrong monetary remedy was applied to fiscal policy. The purpose of the Federal Reserve Bank is to sustain a stable monetary system, beneficial to the economic development of the country and to the welfare of the people. During the past five years those who make our monetary policy have failed either to evaluate the situation correctly or to help the economy.

A part of the present "inflation, recession, and associated financial crises is rooted in perverse monetary and fiscal policies. Monetary policy is good or bad depending on whether or not the Federal Reserve System uses its power with moderation; soundly, sensibly, and in the public interest."

Since 1970 most of the monetary policies of the Federal Reserve System have been confused, fluctuating, and political rather than economic in nature. They have resulted in financial disruption and an unprecedented rise in interest rates. In eight years we have had alternating cycles of too rapid and too slow monetary growth, resulting in financial disintegration, sharp increases in interest rates, drying up of long-term credit, and the collapse of the stock market.

From January 1967 to December 1968, and from January to December 1972, the Federal Reserve System increased money supply faster than the Joint Economic Committee's 6 percent per year upper-limit guideline. In 1967, 1969, 1970, and 1973-4, money supply growth was kept under 2 percent. Each money cycle was accompanied by over-heating, high interest rates, financial crisis, and finally recession.

Events of the last eight years suggest that there is a great need for financial reform and possibly for the accountability of the Federal Reserve System to the House Banking Committee. While the Federal Reserve can directly control the reserve base with some accuracy, it cannot evaluate or exert direct guidance on the long-term economic planning of the country. "In some ways, the nation's economy can be viewed as a giant ocean liner and its policy instruments as controls. The controls are set broadly to bring the ship to its destination and, though there may be adjustments for currents or storms, the course is not changed from hour to hour—nor is any captain foolish enough to think that he can turn the ship around sharply, as if it were a speedboat." Future economic planning should not depend on a volatile interest rate policy. How can industry, agriculture, and consumers fight inflation, if the Federal Reserve in three years allows a 300 percent increase in interest rates?

Dr. Andrew Brimmer, a former member of the Federal Reserve Board, has admitted that the agency miscalculated economic trends in the country. Many participants at the Summit Economic conference conceded that there have been serious errors of judgment by the Federal Reserve—errors that have created high interest rates, restricted economic growth, and as a result have contributed to the present inflation. What the Federal Reserve directors have not contemplated is that usually the high rates of interest are a sure guarantee for continuing inflation.

3. Neither the Administration nor the Federal Reserve had a plan to cope with the sudden demand for American agricultural and industrial goods all over the world.

Before 1967, there was a demand for American food and industrial goods, but very few countries could afford them. The Vietnam War, the increase in purchasing power of the Western European countries, the Soviet Union and Japan created both inflation and demand for raw materials. Many developing

nations seized on this opportunity to demand a fair price for their undervalued raw materials. This process was intensified by the expansion of a consumer's market and by the rapid depletion of basic raw materials. In the short span of three years the price of gold, copper, cotton, rice, wheat, bauxite, silver, sugar, soybeans and petroleum was increased by 200 percent and in some cases 400 percent. For the first time in history 500 million people from Indonesia to Venezuela have realized an annual income of \$150 billion. This sudden increase of affluence has created a great demand for American agricultural and industrial goods.

Unfortunately, even at this late date, the President's advisers do not realize that they are confronted not with one enemy but three: inflation, recession and a shortage of all kinds of raw materials. As a result of this three-fold problem, financial planning for the next five years must be designed not only to fight inflation but to ease credits and provide low interest rates for the expansion of American agricultural and industrial production which will pay for the imports of raw materials and meet domestic needs. Cuts in government spending—assuming they take place must come in the form of cutting foreign aid and military expenditures abroad.

The rate of unemployment may or may not be affected by the public service employment program, depending on how it is funded. If it is funded by diverting government expenditures from other sectors, there will be little net effect on the unemployment rate. In the long run, the solution to unemployment is expansion of production, increase in productivity and competition in international markets.

The September labor force statistics are bleak: the last time 5.3 million people were without work was sometime in 1941. Reflecting the slump in housing, the jobless rate for construction workers is now the highest in four years. As to the labor force in general, more people are working part-time involuntarily than at anytime since early 1961.

So far the suggestions, recommendations and decisions made in Washington do not indicate that the administration has a plan to remedy the nation's financial maladies or to confront the greatest economic challenge ever faced by this country.

4. In the area of international trade and investment, an exceptional transition is developing in favor of the United States. Some of the changes in trade stem from major currency realignments in developing nations which are in the market for cash purchase of American goods.

The volume of world trade increased by some 12 percent between 1972 and 1973, compared with 9 percent in the previous year. Since the middle of 1973, there has been a greater demand by the developing nations for agricultural and industrial goods, but a tapering of expansion in American industry and agriculture has failed to satisfy the needs of the eager customers. As a result, limited supplies in an expanding market have contributed to the rise in prices. Very few people have paid attention to the fact that the current high rate of interest, recession and limitations of supply have been the major contributing factors to the upward pressure on prices.

5. The Economic Summit meeting showed that there can be many approaches to the problem of inflation. It is true that leadership and planning must come from the administration in Washington; however, the private sector can join in the fight too. One important factor is productivity. According to all data available, in the key manufacturing sector, output per man-hour has not risen at all for more than a year, while the cost of labor has risen 10 percent over the past 14 months. Although average hours worked have fallen one percent during this

period, hourly pay has climbed even faster—nearly 11 percent. All this has been translated into higher labor costs. Labor costs per unit of output in manufacturing have risen nearly 11 percent since June, 1973. If we want to succeed in our three-fold war, the cooperation of labor in both planning and increase in productivity is essential.

6. Economic indicators at this juncture show that we have reached the peak of inflation. The gross national product, adjusted for inflation, has dropped through the year 1974. During the summer there was a substantial decline in business inventory building, as well as a worsening of our foreign trade balance because we have not enough products to export at this time. During recent quarters businessmen have had much difficulty keeping inventories at desired levels. Shortages and bottlenecks have caused stockpiling to drop far below intended levels. In the fourth quarter of last year, business inventories were rising at a \$29 billion annual rate. This growth declined to \$13.5 billion by midyear; now it is down to \$5.8 billion. Consumer spending picked up in the third quarter, but jobless and interest rate increases have undermined confidence in a rapid economic recovery.

Business spending on new plants and equipment fell last quarter. In real terms the level of capital goods outlays is no higher today than it was a year ago. The big corporations concede that they need more capital for expansion, but this will come only when the interest rate drops to 7 or 8 percent. Several surveys of businessmen's capital spending intentions show that for 1975 American industrialists would like to spend from 10 to 15 percent more on new productive facilities.

The 1975 investment programs, aimed at correcting supply shortages in the basic material industries, should be encouraged, so that new capacity will develop steadily and, by restoring a better supply-demand balance, help to bring down the artificially high prices of many materials. This program can succeed if, at the same time that interest rates decline, agricultural production increases.

It certainly will not be possible to solve present economic problems by adhering to the "old-time religion" or by retaining the advisers who have been directly or indirectly responsible for the present crisis. I respectfully recommend the following suggestions:

(1) It is essential that President Ford continue his policy of consultation and establish a permanent economic planning committee composed of economists, businessmen, labor and consumers. Their job should be to study economic trends both at home and abroad and prepare immediate and long-term plans for the President and the Congress.

(2) There should be a full disclosure on economic policy making. The Federal Reserve must coordinate its activity with the general economic planning approved by the Congress and executed by the President. It has to cease its up and down "rollercoaster" policy on money supply. The nation needs moderate expansion of money supply, reasonable interest rates, and stable long-term growth consistent with the real economic expansion of the country.

(3) The establishment of a direct loan program for housing should be accomplished through the establishment of a development bank. The loans could be at low interest—not to exceed the discount rate established by the Federal Reserve.

(4) Tax incentives for agricultural and industrial expansion should be carefully studied. The immediate removal of all economic laws which hinder industrial and agricultural production is essential to the recovery of the economy. Many of our problems can be traced to the crippling effects of bureaucracy and diminished public confi-

dence in the ability and integrity of the administration. The new council on wage and price stability and the commission on productivity must be strengthened and utilized.

(5) Our export and import policies must be re-examined. Included in this evaluation should be a review of policies toward investments by foreign corporations in the United States and toward the operations of American-based multinational corporations and banks. In this new policy, we must cooperate with other nations in establishing, on the one hand, principles of accountability for multinational corporations and, on the other hand, policies designed to protect their operations from arbitrary seizure or nationalization by the host countries.

For many years I have advocated the establishment of an international bank for stabilization of the prices of raw materials and industrial goods. The future of the developed and the developing nations depend on a new program and pact based on mutual trust, mutual interest and a fair and stable price for both raw materials and industrial products. The world is ready for a new but fair deal which would put an end to the exploitation of the developing nations and provide the developed nations with stable prices for their raw materials. It is wrong to blame the oil producing countries for raising the price of oil while in the United States during the last 3 years the price of wheat has gone up 300 percent, soybean 400 percent, sugar 500 percent, cotton 300 percent, and industrial goods 200 percent.

Developing countries should be convinced that they cannot exist without the technology, managerial skills, capital investment and agricultural and industrial products of the developed nations, and the developed nations must admit that without the cooperation of the developing nations and a systematic effort to bring together all the nations of the world in the search of solutions there could be no end to starvation, poverty, inflation, unemployment and recession.

Therefore, I believe that the United States today is faced with the greatest challenge in the history of this nation. It is my earnest hope that we can meet this great challenge with courage, confidence, humility and compassion.

PITY THE MAILMAN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. DERWINSKI. Mr. Speaker, as we enter into the Christmas season which also coincides with the advent of winter weather, we too often take for granted the occupational hazards facing mailmen as they cover their mail routes. This point is very effectively made in an editorial of December 8, in the Homewood-Flossmoor Star Tribune serving West Cook County, Ill.

By working my way through college as a post office clerk-carrier, I can certainly attest to the practical emphasis of this very timely editorial:

[From the Homewood-Flossmoor (Ill.) Star-Tribune, Dec. 8, 1974]

Winter has its own unique brand of beauty, to be sure, but it also poses special problems for some people.

Among those who are understandably apprehensive about winter weather are individuals with jobs that require them to get around a great deal on foot, such as mailmen. Snow and ice make their job more difficult.

Last winter, according to area U.S. Postal Service officials, a number of mailmen were injured, several seriously, in falls on icy or snow-covered sidewalks.

Failure to keep sidewalks and other approaches to homes and places of business clear of such hazards can delay or even force suspension of mail delivery for an indefinite period. On rural mail routes, responsibility for clearing the area around roadside mailboxes rests with the boxholder, not the Postal Service. Mailmen are not required to leave their vehicles to make deliveries.

And now, with the holidays approaching, the volume of mail arriving at post offices is mounting daily. Keeping one's sidewalks free of ice and snow will be a big help in getting the mail delivered on time. Needless to say, mailmen will be grateful for the favor.

P.S.: So will the Star-Tribune carrier on the route!

PRICE-ANDERSON ACT SHOULD BE EXTENDED FOR SHORT PHASE-OUT PERIOD

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, I hope that upon our return next month we will lose no time in the drafting and passage of Price-Anderson extension and revision permitting the insurance industry to organize effective and needed total coverage for all liabilities incident to the construction and operation of nuclear electric stations.

I regret that President Ford saw fit to veto the Price-Anderson Act passed last month by the Congress. In my opinion, it was a satisfactory fusion of the interests of those who wanted a 20-year extension and the modern view of, in my opinion, the larger majority of the American people that felt it was mandatory that the nuclear industry must insure itself if it is to be believed that it is now safe enough to carry on into the nuclear electric power expansion age.

I happen to believe that we have no route to go but to encourage nuclear power generation. I have defended it in all groups, including sessions of as many as a thousand of Ralph Nader's critical mass 1974 nuclear moratorium advocates.

I believe nuclear power generation is safe, is acceptable, and should be continued. But it will need, in my opinion, a responsible Price-Anderson extension for the interim period so that the private sector of insurance companies can begin coverage of pooled liability as for aircraft and fields where an occasional accident results in catastrophic damage and loss.

Nuclear power generation has an unsurpassable safety record, and the Government, by serving as guarantor for only a few more years will enable the energy companies, both public and private, to complete the funding for their own insurance reserves, at which point the Government coverage will expire.

It is my hope that the Joint Committee on Atomic Energy will lose no time with the introduction of this legislation at the outset of the 94th Congress.

RICHARDSON REMARKS WERE PERCEPTIVE

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. COHEN. Mr. Speaker, I would like to call the attention of my colleagues to a very perceptive and lucid speech given recently before the Washington Press Club by Elliot L. Richardson. With customary acuity, Mr. Richardson has located and defined a number of the problems confronting our people and our Government and, in the process, I believe, has suggested remedies that deserve the most serious consideration.

Because I know my colleagues will be interested in Mr. Richardson's remarks, I insert a copy of his speech in the RECORD at this point:

RESTORING THE HEALTH OF THE REPUBLICAN PARTY

(By Elliot Richardson)

Surely all would-be Republican party healers must at least agree on this: that, to put it euphemistically, the "New Republican Majority" must have fallen ill on the way to the polls; clearly the patient-party is not well. If there remains a political physician who is as yet unsure on this point, it must be for failure to have made a House call. Men of sober intelligence and concern can no longer pretend that there is serious question as to the illness; the question now is as to the means to restore health.

Practitioners of politics—if not their academic observers—know well that politics is not yet a science. Diagnosis and prescription are typically risky and frequently specious. But there is, nonetheless, an axiom here or there which provides useful guidance. One such is simply this: In general, elections reflect a look backward not forward. This is in some respects an unfortunate rule. It leads to what I often term "Magnet line" habits of would-be leadership—excessive attention to realities which have been overtaken by events. But it does at least provide a desirable incentive to incumbents: It suggests that they—or their party—will, in fact, be held accountable politically for their stewardship.

This simple—and largely reassuring—axiom of political accountability was exhibited dramatically in the recent Congressional elections. As most analysts agree, the elections were a retrospective judgment upon the quality of Presidential management. They were a vote on Presidential management of Watergate and of the national economy—and here there is disagreement only as to the proportional role of each.

Of course it was unfair, by and large, to hold Congressmen accountable for Presidential management. But the Congressional elections were the only available opportunity for a referendum on the Presidency—a referendum which a concerned electorate understandably did not wish to postpone for two years. The Congressional elections were a means of sending Washington a message—the only available electoral means, in fact.

It was unfair, similarly, to hold President Ford accountable for the actions of his predecessor. On the other hand, President Ford in his first ninety days had not fully succeeded in giving the public confidence that he had no need of an electoral message. With regard to Watergate, the timing of the pardon was disconcerting. With regard to the economy, the summit did serve to suggest a healthy new openness; but it heightened attention to problems without providing any assurance that a coherent approach to their

solution was in the process of being formulated. From the citizens' perspective, this meant that, in spite of the change of leadership, the message still had to be sent. And it was.

The message was sent with sufficient force to insure that it would be unmistakable. And concerned Republicans are now—in one way or another—offering prescriptions for party renewal. Some prescribe "communication" campaigns aimed at imagined—but invisible—majorities. Others would formulate a campaign based on running against the Congress. Some would-be healers prescribe a turn to the "right"; others prescribe a turn to the "left." But turning left or right will not effect a cure. Indeed, all such formulations are mistakenly conceived. One is reminded of the physician in the cartoon who prescribes: "Take one of these every four hours. If pain persists, see another doctor." And one wonders: Can the patient survive another dose of ill-conceived advice?

What voters want is performance. And—in accord with the axiom of retrospective accountability—what voters will judge is performance. The single most important variable affecting the health of the Republican party in 1976—the most important by far—is not likely to be talk of "left" or "right" or "middle" or even "old this" or "new that." The most important variable affecting the health of the Republican party is, to put the matter directly, the performance of the incumbent Republican President.

But having identified the key to recovery, one cannot leap to a favorable prognosis. For the President, these are—for any President these would be—very difficult times in which to perform well. It may be useful, however, to attempt to be clear about where the most significant difficulty does and does not lie.

Current fashion notwithstanding, it cannot in fairness be argued—at least not at this stage—that the principal difficulty lies in the written Constitution, habitual practice, practical necessity, and public expectation render inescapable the conclusion that the executive branch must be held primarily accountable for leadership in policy formulation. Only if the public is first convinced that the executive has managed this responsibility well, can the issue of Congressional responsiveness be joined. And even if Congressional responsiveness is viewed as problematical, the fact remains that the President enjoys a vast freedom of action which is largely independent of the Congress. This is true to a very considerable extent in the exercise of initiative across the board through the power of appointment; in integrative policy formulation and management through the legitimate coordinative activities of the White House staff; in regulatory and administrative policymaking domestically through Cabinet agencies; and in the management of foreign policy generally. The much-discussed "Imperial Presidency" was hardly intended as a reference merely to such symbols of power as the epaulets of White House policemen. The "Imperial Presidency" involved much actual, as well as symbolic, power. And although there have been some dramatic symbolic changes of late, there remains the fact of continuing, vast, real Presidential power. This would be the case even after a sensible readjustment of the Executive-Legislative balance.

The President's difficulty does not derive from a lack of adequate power. Rather, it derives from the complexity of the substantive problems to which the power must, in one way or another, be applied.

Among these complex substantive problems, I would include the following five as especially important—and especially difficult. I enumerate them without intending to suggest a priority among them; they are themselves interrelated.

A first—and certainly, to some, most obvious—problem is the problem of the economy in an increasingly interdependent world. I shall return to this shortly.

A second is the problem of foreign policy in a world of rapidly changing realities. It is a world of decreasingly tense "super-power" relations—in large measure because of the progress in strategic arms limitation managed by Presidents Nixon and Ford. But it is also a world of increasingly fluid pragmatic alignments; a world of increasingly wide rich-poor disparities; a world in which the calculus of power is increasingly complicated by the rising potential of economic weaponry, nuclear proliferation and terrorist blackmail; a world in which the elements of this calculus extend increasingly beyond the traditional narrow range of international actors. It is a world in which problems, by virtue of their increasing complexity, lend themselves less and less well to intermittent, ad hoc crisis or summit intervention—a world in which the need for improved, ongoing institutional problem-solving mechanisms grows increasingly apparent.

A third problem is the problem of equality—or at least some greater degree of fairness—in a world of increasingly limited resources. Neither at home nor abroad have we learned to manage either the ethical or the practical issues of the distribution of resources. As population grows, as expectations rise, as disparities in the distribution of resources become more evident, as economic development is limited by ecological concern and practical necessity, the distributional issues become more difficult. The temptation is to put them aside. Yet if we do not soon develop a humane and orderly set of policies to cope with inequity, we will surely be led to the more painful order which emerges out of violent instability.

A fourth problem—less obvious, perhaps—is the problem of continuity in a world of increasingly rapid "post-industrial" change. It is the problem of preserving the best of our humanistic traditions in the face of the "dehumanizing" pressures of industrialization, bureaucratization, "bigness," institutional heavy-handedness, depersonalization. Without serious attention to continuity—to a selective conservatism in the context of necessary change—we will only feel the more a sense of alienation, of purposelessness, of community lost.

In this respect, I might note that the habits of the "news" media are to some extent both a symptom and a cause of discontinuity. We are supersaturated with information which is typically provided without an integrative framework or perspective—provided, rather, as a form of distractive entertainment. Our sense of proportion is lost. Investigative journalists are our new historians.

Television anchormen are our historical dramatists. Indeed, the continued application of the anachronistic labels "liberal" and "conservative"—the misguided focus on turnings "left" or "right" which earlier I lamented—is but a symptom of the extent to which a proper sense of history and proportion is removed from "coverage" of the news. The issues which once divided so-called "liberals" and "conservatives" have been largely overtaken by events. So far as they remain, they are now largely secondary to emergent issues, for example, of confidence in our institutions, of rights to privacy, of respect for the individual in an increasingly homogenized society—issues for which the old divisive labels are neither appropriate nor helpful. It is hardly a constructive approach to the building of continuity when our political narrators—and, indeed, our political actors—are made to seem (or make themselves seem) like new dummies mouthing the lines of old ventriloquists.

A fifth problem is the problem of intelligibility in the face of increasing complexity.

This is perhaps the least obvious of the problems here discussed. But it is fundamental, nonetheless. For if we cannot comprehend reality, we can hardly expect to govern it—or ourselves—in a manner that would serve us well. Yet complexity may be outpacing the growth in our capacities of comprehension. It is growing exponentially—as a multiplier of population and economic growth. Systems grow upon systems. The simplest of interventions have complex—and often unanticipated—effects. Getting from point A to point B, for all our technological advance, in many respects grows more difficult.

But however we may yearn for a lost simplicity, these are not the times for the Great Simplifier. Complex problems understanding and, typically, complex solutions—solutions which are comprehensive in scope and strategic in their formulation and articulation. This is true not only for the problems identified here, but for virtually every significant problem facing our country today. It is true, in part, because of the inherent nature of modern problems—problems of many interconnected variables. It is true the more because people sense this interconnectedness and wish clearly to understand it in order to have confidence in the relevance and appropriateness of whatever actions are demanded. Without a sense of strategic confidence, an increasingly sophisticated public will, at best, remain skeptical.

It is a curious fact that one unintended consequence of Watergate seems to have been the loss of a sense of strategic comprehensiveness in our approach to major problems. Strategic thinking was a special strength of Richard Nixon's. In his first term—until the election campaign of 1972—he was remarkable for his appreciation of changing realities and for his formulation of strategies which were both adaptive and creative. In foreign policy, this was reflected in the Nixon doctrine and in the "linkage" policies toward the Soviet Union and China. In domestic policy, it was reflected in his early formulation of the "income strategy" and the "New Federalism."

Realities have, of course, changed since the first Nixon term. And, though we need especially a sense of coherent and well-considered strategy, we seem, rather, to be engaged in occasional struggles to catch up—piecemeal. I doubt this will do.

In another context, I might elaborate with reference to each of the problem areas I have touched on. Here I shall touch briefly on only the most topical of these problems; the economy.

As it has now become commonplace to observe, we are experiencing an odd—to many, a baffling—combination of inflation and recession. The bafflement, as far as I am able to discern, derives primarily from a conceptual failure to distinguish demand problems from supply problems and domestic problems from international problems. The fundamental reality not yet fully appreciated is that the current inflation problem is in its origin largely a special supply problem, not a general demand problem, and largely international, not domestic. Inflation in its present form, therefore, is not properly subject to treatment through conventional fiscal and monetary policies—these are better suited for treatment of aggregate domestic demand problems.

It is, of course, true that the inflation we are now experiencing was generated in part by fiscal and monetary policy—by excessive deficit financing in the period of the Vietnam war and by expansionary monetary policy particularly as late as 1972. But since 1972, monetary policy has been anti-inflationary. And, as the current recession would suggest, conventional counter-cyclical policy can still affect demand.

That inflation persists, however, is, as I

have suggested, a phenomenon largely independent of general domestic demand policies. About sixty percent of the current inflation, it is estimated, can be accounted for by two special international supply problems—food and fuel. An anti-inflation strategy, then, must focus specifically on these. For the long term, it must be oriented toward expansion of supply. For the middle and long term, it must—through foreign policy—develop more stable arrangements for the international distribution of key commodities. For the immediate term, the most sensible available adaptation—given that supply cannot be promptly expanded—is a specifically focused adjustment of demand. The obviously preferable specific focus for adjustment of demand is automobile fuel. This focused adjustment of demand might best be effected through a gasoline tax or through a tax on high-consumption automobiles. And because the tax might fall inequitably upon the poor, it ought to be linked with tax and welfare reform—with the "income strategy" which has regrettably dropped from view since 1972.

A first—and certainly, to some, most obvious. It is a time for clear, strategic policy: To counter inflation, a specifically tailored supply policy; to counter recession, conventional counter-cyclical fiscal and monetary policy; to counter inequity, a tax and welfare reform policy. This is not a time for laundry-list solutions.

The American people are more than ready for sophisticated approaches to problem-solving. Too often it has been assumed that the people are of lesser quality than, in fact, they are. Their sophistication and maturity were consistently underrated in the course of Watergate. It would be a mistake to underestimate the people again.

Confidence in the economy is dangerously has to a considerable extent been restored. But the problem of confidence in the capacity of government remains to be addressed. People will respond favorably if complex realities are met with clear, conscious, coherent, and comprehensive strategies. But if not, the people will surely send another message.

For Republicans, the message of the moment is simply this: If the health of the party is to be restored, the health of the nation must be restored.

INDEPENDENT AMERICAN FILM INSTITUTE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. BELL. Mr. Speaker, representing a district and constituency that are dependent on the film industry, I strongly believe in the intent and purpose of this bill—the creation of an independent American Film Institute to be under the direction of a board of trustees made up of representatives from the Federal legislative and executive branches of Government and the private sector.

Although the youngest of arts, film has become the most popular and important medium of today—not only in this country, but also throughout the world.

We, in America, have substantially and uniquely contributed to this valuable art form, and the time has come for the Federal Government to grant film its place among the great art forms of the world.

The American Film Institute would be responsible for preserving, expanding, recognizing, and developing films and programs of film study.

Since its establishment in 1967, the institute has preserved over 12,000 films, established a Center for Advanced Film Studies in Los Angeles, and opened the American Film Institute Theatre in the John F. Kennedy Center for the Performing Arts.

Such a firm commitment reestablishes the fact that, as an independent agency, the American Film Institute will prosper and greatly contribute to the global cultural community.

In urging my colleagues to accept this measure, I would like to quote a close friend and former constituent, Mr. Charlton Heston, actor and present chairman of the American Film Institute:

We have only begun to see what film can do to enrich the lives and expand the opportunities for the American people . . . all the people. It will write the poetry of our time, and build bridges for us as well, to all the world.

DESTROY-TO-REVIVE FANTASY

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Ms. HOLTZMAN. Mr. Speaker, The Nation bears the dual burdens of inflation and recession. Prices continue to rise at record rates and it is estimated that unemployment may pass 8 percent next summer.

In the face of this economic chaos, President Ford seeks to press on the country half-baked remedies left over from the administration of Richard Nixon and Herbert Hoover. I commend to my colleagues the article by Sidney E. Weintraub, a University of Pennsylvania professor, who offers some provocative thoughts about, in his words, the President's "destroy-to-revive" economic policy. While we may not agree with all that Professor Weintraub says, his ideas are useful because they break with the past and offer new approaches to the problems we face.

The article follows:

THE DESTROY-TO-REVIVE ECONOMIC FANTASY (By Sidney E. Weintraub)

PHILADELPHIA.—The Democratic party can forget Herbert Hoover: President Ford promises a fresher identification with economic shambles. With a crumbling economy, Prosperity Around the Corner buttons may yet replace WIN.

Economic discussion has become spurious, with an eerie air of history repeating itself. A half century ago, the British "Treasury view" held that Government borrowing would siphon off funds destined for private enterprise, as if the moneys came from a stagnant pool.

Secretary of the Treasury William E. Simon has exhumed this myth, elevating it as a profound insight. What has not been explained is how more savings can enter the capital markets when incomes, the source of savings, are vanishing through unemployment.

An illusion is also being perpetrated that the budget can be significantly cut when prices jump by over 10 per cent a year. Merely to maintain existing programs will cost about \$30 billion more.

Our Treasury people have not discovered that prices fell in the early Roosevelt years despite huge 50 percent deficits. Flaying Government largesse makes virtuous political copy, but budget-balancing will not end the modern inflation.

Beyond these conceptual confusions at the Treasury, any appraisal of current Administration policy must conclude that it is madly inept: production falling, unemployment rising, prices surging. The Administration has gone far to make it the worst of times.

There is a claim that we must deflate—that we must tighten money and cut expenditures to compress inflation. There is the shallow pretense that inflation, and the Administration's pseudo-remedies, began yesterday rather than five years ago.

Can unemployment and falling production whip inflation? Hitherto, we have been taught that to subdue inflation requires more production. It is a callous policy farce to throw people out of work wittingly, and slow production, in order to hire them back at a later date to speed output.

Destroy-to-revise is a warped caricature of economic doctrine and strategy. Our housing deficiencies, the appalling state of our cities, and our woeful public transportation hardly signal a lack of useful work to perform.

If high-level employment and output are desirable next spring or next fall, why not now? Why are they meritorious for the future and an extravagance now?

The conventional rationalization of this absurd exercise in economic yoyolism is that it will stop inflation. By keeping money tight, creating a recession, and extending human misery, inflation is supposed to fade away. To prevent the inflation evil, we must inject the unemployment and lost-production virus.

It may yet dawn on the Administration, as well as the Democratic majorities in Congress, that regardless of the employment-unemployment level, inflation becomes inevitable so long as money incomes per employee mount faster than production.

Over the last year productivity has been falling by about 3 percent. Employee compensation has advanced by about 11 percent. How money income per employee—wages, salaries, interest, rents, dividends—can climb with productivity dropping, without the difference erupting in inflation, is the supreme economic feat on which silence reigns, by the Administration, Congress, labor unions, and advocates of tight money hocus-pocus as an inflation weapon.

Increases in employee money incomes along with declining labor productivity promise to perpetuate double-digit inflation. What monetary policy can do about it, besides creating unemployment and inviting a depression tailspin, is dubious.

If the Federal Reserve could prevent inflation it would long ago have succeeded, with the authorities grabbing off the kudos.

The last six years provide cumulating evidence that monetary policy can destroy the housing industry and lift unemployment without ushering in stable prices. What failed for Richard M. Nixon will not WIN for President Ford despite the learn-nothing ideology of Secretary Simon.

Restoring the economy will require moderation in money-income expansion, involving a new look at incomes policy covering wages, salaries and executive pay, as well as a tax cut and monetary easing at the Federal Reserve.

Should we not consider a handout to the auto industry? This may be cheaper than to watch it delay before building more functional vehicles. While Detroit writhes, the economy suffers.

IT IS TIME TO CUT TAXES

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. HANRAHAN. Mr. Speaker, Mr. Robert A. Mundell, a Canadian economist, believes inflation and unemployment are separate problems. In order to curtail these problems, we must enforce tight money and a \$30 billion tax cut. For my colleagues' information, I wish to insert the following Wall Street Journal article which further explains Professor Mundell's prescription to beat inflation and unemployment:

IT IS TIME TO CUT TAXES

(By Jude Wanniski)

Robert A. Mundell, a Canadian economist now at Columbia University, does not believe the United States can Whip Inflation Now and climb out of the deepening recession by harking to either the classical economic advice of tight money and balanced budgets or to the neo-Keynesian nostrum of easier money, public-service employment and wage-and-price controls.

The correct prescription, says Professor Mundell, is a \$30 billion tax cut and the temporary halting of open-market operations by the Federal Reserve to assure monetary restraint.

Furthermore, asserts the placid professor, whose voice in conversations rarely rises above a whisper—if this medicine is not taken soon, there will be by mid-1975 more than seven million or even eight million Americans unemployed, an inflation rate perhaps double the consensus prediction of 7% per annum, and a huge budget deficit arising from the recession-level tax revenues and widespread company and household bankruptcies.

Professor Mundell's prescription is obviously not part of mainstream thinking in the United States, but it bears consideration for no other reason than the 42-year-old Canadian's standing and reputation among international economists. "He's the most creative, innovative international economist I know of," says Harold B. Van Cleveland, vice president and economist at First National City Bank. Sir Roy Harrod, J. M. Keynes' biographer has toasted him as one of the "greatest economists in the world." And Lord Robbins, chairman of the court of governors of the London School of Economics, said of him at the Bologna conference on global inflation in 1971: "Bob—and here I lay down a sociological law—is seldom wrong. And even when you disagree with him, you must disagree with your hat in the hand."

The heart of the current problem, Mr. Mundell believes, lies in the international arena. Inflation is, and has been for several years, a global phenomenon. The collapse of discipline of the balance of payments has unleashed a wave of inflation on the world. He believes that the eventual solution must involve not only control of the dollar supply produced in the United States, but regulation of the Eurodollar market, the restabilization of gold and a return to the fixed system. With Professor Arthur B. Laffer of the University of Chicago, he has worked out an economic model to deal with this problem.

To deal with the immediate crisis of simultaneous inflation and recession, though, Professor Mundell departs from the traditional belief that monetary and fiscal policies should always be working in the same direction. He believes that inflation and unemployment are separable

problems and that to combat them distinct policy instruments are required. He believes that tight money should be used to combat the inflation, while expansive fiscal policies—preferably through lower taxes—can be used to combat the recession in a way that also works against inflation.

A CAUSE OF INFLATION

He argues that monetary expansion no longer works as a means of stimulating production; it simply causes inflation. To some degree and for short periods it may have been a reasonably good anti-cyclical weapon during the best years of the Bretton Woods system. But now, in the regime of floating exchange rates, monetary stimulation by the Fed not only increases wage demands, but is immediately perceived by the foreign-exchange markets, causing depreciation of the dollar and an automatic increase in the price of imports. This raises costs and aggravates inflation directly. It also raises wages and thus quickly shows up in the Cost of Living Index.

To eliminate at least this cause of inflation, he says the Fed should temporarily halt open-market purchases of government securities, the traditional means through which it increases the basic money supply. The thrust of demand expansion must come from fiscal stimuli, and when the U.S. economy responds to that stimulus, growth in the real money supply can come about through a resumption in open-market purchases. At the same time, the reviving U.S. economy would draw money from Europe and the Middle East and thus protect the U.S. balance of payments. Something else would occur as the economy's growth responds to the fiscal stimulus while monetary growth is checked. The dollar would appreciate against foreign currencies, which means the U.S. would then be able to buy a greater share of the world's goods and services with the same number of dollars.

Real economic growth would be stimulated by the big tax cut on both personal and corporate incomes. He would adjust income-tax brackets across the board and index them to correct for future inflation, as is now the practice in Canada, and he would get the corporate tax bite down closer to Canada's 40%.

"The level of U.S. taxes has become a drag on economic growth in the United States," he says. "The national economy is being choked by taxes—asphyxiated. Taxes have increased even while output has fallen, because of the inflation. The unemployment has created vast segments of excess capacity greater than the size of the entire Belgian economy. If you could put the sub-economy to work, you would not only eliminate the social and economic costs of unemployment, you would increase aggregate supply sufficiently to reduce inflation. It is simply absurd to argue that increasing unemployment will stop inflation. To stop inflation you need more goods, not less."

As it is, he believes U.S. policymakers are unwittingly creating a larger sub-economy of the unemployed guaranteed to reduce aggregate supply, and thereby aggravate inflation. A \$30 billion tax cut implies a large initial federal deficit. But if taxes are not cut now, the size of the unemployed sub-economy will expand. Tax revenues of state, local and federal governments will decline. At the same time their outlays for unemployment relief and welfare will expand. Combined government deficits might even exceed the amount implied by a tax cut. But what's worse, the nation would be no closer to turning the economy around.

He disagrees with both the Keynesians and the classical economists on the economic effects of a tax cut. "The Keynesians only look at its effect on demand and have

always considered it inflationary," he says. "They neglect the financing side, aggregate supply and inventory effects."

"The classical economists are only concerned about the 'crowding-out' effect," by which he means the effect of deficit financing on the private capital markets, i.e., government financing needs crowd out private borrowing that would otherwise go into capital expansion. "Both of these extreme views do not see that there is a middle position."

A tax cut not only increases demand, but increases the incentive to produce. "The government budget recycles tax dollars into the spending stream through expenditures, but in so doing it reduces the incentive to produce and lowers total production. After all, if total taxes and expenditures become confiscatory, all economic activity will cease and the government tax bite would be 100% of nothing." With lower taxes, it is more attractive to invest and more attractive to work; demand is increased but so is supply.

So too with the "crowding-out" effect, an argument against tax cuts that was popular in the 1920s. The government sale of bonds to finance a tax cut indeed crowds private borrowers out of the capital market. This is only one effect, he says. Four other things occur. Because capital and labor are the main recipients of the proceeds of the government bond sale that finances the tax cut, they are in effect receiving a gift \$30 billion they would otherwise have to borrow. In this sense, they are happily crowded out of the credit market.

Secondly, the finance required for the tax cut would be less than what would be needed if the recession is allowed to deepen. Third, Professor Mundell believes the size of the credit pool would automatically expand as the prospect of real economic growth engendered by the tax cut allows a recovery of real savings. That is, dollar holders will have a higher incentive to invest in capital goods the larger and more rapid is the recovery from the recession. The fourth effect is that the bond-sale method of financing the tax cut will draw money from abroad.

HELPING CAPITAL FLOWS

The international effects of a tax cut are particularly important, he asserts. With announcement of a major tax cut, the capital market would instantly perceive that it is more profitable to do business in the United States than the rest of the world. Capital that is now flowing out would remain; foreign capital going elsewhere would come in. The increased real economic growth would mean the U.S. would run a sizable trade deficit as the U.S. would keep more of what it produces and buy more goods from abroad. Offsetting this in the short run would be an inventory effect caused by tighter monetary conditions; the expectation of slower inflation would cause a reduction in optimal inventory levels.

There would be balance-of-payments equilibrium, he says, because the capital flows would cover any residual trade deficit until market opportunities were arbitrated worldwide. The U.S. tax cut would help to pull the whole industrial world out of its slump, he maintains.

In a real sense, he sees the \$30 billion tax cut as a future public's investment in the current private, productive sector of the economy that is now unutilized. He argues that the unemployed sub-economy would respond not only by producing goods and services sufficient to repay the bonds, but would meanwhile sustain itself with output and would not have to be carried by the government dole. Six months from now, perhaps \$30 billion of that potential output will have been irretrievably lost and the economy will be in much worse shape than it is right now.

As he sees it, there is not now any self-corrective economic force acting to pull the economy out of its inflationary nosedive. At

present there is no control of international reserves and even the value of gold gets indexed with inflation. "Inflation itself breeds even more money which in turn breeds more inflation." There was self-correction to an economic slump during the days of the gold-exchange standard, when deflation raised the purchasing power of gold, and self-correction to inflation when inflation reduced gold's purchasing power. There is none of this today in a world of floating exchange rates, he says. The nation's economic problems feed on themselves.

"They feed on themselves through the effects of inflation on the progressive income-tax schedules and through the negative multiplier effects thus generated," says Professor Mundell. "They feed on themselves through the ever-increasing percentage increases in wages needed to maintain workers' purchasing power. And they feed on themselves through the international escalation of world money supplies that has taken place since the breakdown of the gold-exchange standard. The \$30 billion tax cut is needed immediately to arrest the world slump, and if it is delayed by even one month, the figure required will be higher."

WCBS-TV SUPPORTS CALL FOR BILINGUAL EDUCATION HEARINGS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. BADILLO. Mr. Speaker, a few weeks ago I requested authorization for oversight hearings by the General Education Subcommittee of the Education and Labor Committee into allegations by Albert Shanker, president of the United Federation of Teachers in New York City, of widespread abuse in the city's bilingual education programs.

Mr. Shanker charged in a New York Times article that unqualified teachers are being hired for the program, that children are being enrolled in bilingual classes whether they need such instruction or not and against their parents' wishes, and that bilingual programs are replacing other specialized educational offerings in some schools.

Shanker's charges are so serious as to threaten to undermine public support for this necessary educational effort, and I am convinced that hearings must be held at the earliest possible date to provide a forum for the airing of these charges. If such allegations are indeed found to be true, then we must immediately correct any practices not in accord with the intent of Congress in providing Federal support for bilingual education. If the charges are not verifiable, then they must be discontinued so that this important program to help children of limited English-speaking ability may proceed with full impact and with the widespread public support it deserves.

Mr. Speaker, we have been clearly put on notice that abuses may exist in a program that the Congress extended and funded this year. Our responsibility to ascertain the facts is clear, and I believe that we must move quickly to dispel any unwarranted suspicions or, alternately, to make whatever improvements we

might find necessary in the interest of the best education for youngsters in the schools of New York City.

I am pleased to be joined in this endeavor by the editorial director of WCBS-TV in New York City who has seconded my request for hearings. The text of the editorial follows:

BILINGUAL BATTLE
(Presented by Peter Kohler)

There is a lot of controversy and confusion surrounding the idea of bilingual education.

Basically, the idea is to help children overcome language barriers. If a child can't understand English, bilingual education teaches him some subjects in the language he understands, be it Spanish, Chinese, or Greek. At the same time, though, bilingual education must mean teaching the child English, the language you must speak and understand to function in America.

Some people fear, though, that bilingual programs will neglect English instruction, and become a divisive force. These fears were heightened by Albert Shanker, president of The American Federation of Teachers. Recently, Mr. Shanker charged that bilingual programs in New York City were hiring teachers who could speak little or no English at all. And he also suggested that non-hispanic teachers who were well qualified were losing their jobs to less qualified hispanic teachers.

The Shanker charges brought an angry reply from New York City Congressman Herman Badillo, who called the statements inflammatory and unfounded.

We agree with Congressman Badillo that the charges may have raised unnecessary fears, because Mr. Shanker failed to document his statements. But the issues Mr. Shanker raised are serious indeed.

The whole idea behind bilingual education would be violated if teachers in the program could not speak English. And while bilingual programs provide a good opportunity to hire teachers from hispanic backgrounds and other ethnic groups, bilingual teachers should be hired on the basis of their language skills and ability to teach the subject matter, not on basis of their ethnic background.

If Mr. Shanker and others have evidence about flaws in these fast-expanding bilingual programs, let's get the facts out and act on them. We agree with Congressman Badillo that the House Committee on Education and Labor should hold hearings in New York City to get at the truth.

Reasonable people can act on facts, not on fears.

DISMANTLING MA BELL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. DERWINSKI. Mr. Speaker, in my judgment, the suit against A.T. & T. opposes the effective and efficient service rendered to the American public, by Ma Bell.

Therefore, I was especially pleased to see the outstanding editorial that appeared in the Life newspaper chain, serving suburban Cook County, on December 1, which very appropriately addresses this issue. The article follows:

DISMANTLING MA BELL

Hundreds of small telephone companies are still operating in this country. Some of them have a central office, usually in a home, and service may not be of the best because

storms have caused destruction of telephone lines, so hook-ups may be in part along a barbed wire fence. Most of these archaic systems are in small towns of 5,000 or less population.

American Telephone and Telegraph Co., affectionately known as Ma Bell, put together a network of the larger telephone companies in some states and in some cases included several states in its effort to provide a better service.

Ma Bell provided a uniform system of its subsidiaries, maintained that system through a competent repair service, operated Western Electric Co. as its manufacturing arm to provide its main source of equipment at reasonable prices, and created Bell Telephone Laboratories to develop the most modern and sophisticated equipment possible.

The success of Ma Bell has made this country's telephone service the best in the world. Either by dialing or the more modern Touch-tone, a telephone user can reach points all over the world in less time than it used to take to give a central operator a number and then be connected to a local call.

The penalty for success in providing subscribers with the best telephonic communication is the attempt by the U.S. attorney general's office to file an anti-trust suit which seeks divestiture by Ma Bell of its Western Electric affiliate and possibly breaking up the manufacturing arm into two companies, splitting off the Long Lines Department, and opens the door for seeking to have Bell Labs become a separate corporate entity.

Though the case may not come to trial for five years, the first effect of the legal action was Ma Bell's cancellation of a \$600 million bond offering last week with the funds scheduled to be part of a \$10 billion expenditure next year for further improvement of its system.

At a time when hundreds of thousands are out of work because of the recession or strikes, the federal government steps in with an anti-trust suit to halt the efforts of Ma Bell to provide work for thousands of people.

With inflation driving prices up, the government doesn't want Ma Bell to take advantage of the manufacturing efficiency of Western Electric, which has proven that it can provide products at 70 per cent of what it costs to buy from competitors in the field.

The Hawthorne Works, which has just expanded and improved its cable-making plant in Cicero, is now supplying this item at 77 per cent of what it would cost from other suppliers, some of which ship copper to Japan to be fabricated with the loss of more jobs in America.

This community and the state of Illinois have a lot at stake in the attempt to dismantle Ma Bell. Western Electric has 32,000 employees in its Illinois plants. There are 16,000 of them employed at the Hawthorne Works and half of these are from Berwyn and Cicero.

Then there are the side effects. Illinois Bell, an A.T. & T. affiliate, purchases \$265,000,000 of its requirements annually from Western Electric, purchases that would cost \$400,000,000 if bought from competitors. WE purchases various items from 5,300 Illinois suppliers, 80 of them from Cicero sources alone.

At what point will Ma Bell and its affiliates no longer be a "trust" that needs to be busted? Will the bureaucratic anti-business nincompoops be satisfied with the present objective? Or will they keep up the dismantling process until the phone companies number into the thousands with the loss of efficiency while costs keep rising?

Oil companies, nearly drowning in their swollen profits, are gobbling up unrelated businesses of major proportions. Huge conglomerates have assembled holding of major industries without restraint. Even a Federal Communications Inquiry pays tribute to

Western Electric efficiency in a survey report involving a telephone rate inquiry. Maybe it's time for Congress to step in and call a halt to Ma Bell's proposed dismantling.

WITH CHARITY FOR FEW

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Ms. HOLTZMAN. Mr. Speaker, I commend to the attention of my colleagues a column by Anthony Lewis on the catch-22 aspects of President Ford's amnesty plan. Mr. Lewis describes with insight and eloquence the unfair, discriminatory and, indeed, cruelly absurd situation confronting Vietnam deserters and draft evaders under the President's ill-conceived plan.

The column, which appeared in the New York Times on December 12, 1974, follows:

WITH CHARITY FOR FEW

(By Anthony Lewis)

WASHINGTON—Joe Smith avoided the draft during the Vietnam war but does not know whether he technically broke the law or, if he did, whether the Government has any case against him. He is living a quiet life in Indiana now, but he worries that some day he could be prosecuted. If he does face that, he might rather take up President Ford's clemency program. So he decides to ask the Justice Department what his status is.

The department finds that he was never indicted or made the subject of an active investigation. But having been alerted by Joe Smith's question, it looks into his record at Selective Service. If the investigation turns up a case now, the department will proceed against him.

The Smith story is of course a fictional example, but it precisely reflects the Justice Department's policy under the clemency program. It is Catch-22 in action. The man who does not know whether he is in jeopardy puts himself in it by asking.

Moreover, the President's program is due to expire on Jan. 31. The man newly in jeopardy must decide before then whether to accept the "clemency" of up to two years' alternate service, or risk prosecution thereafter. And he must do so without having any real hearing to decide whether he violated the law in the first place.

All this is an acute example of the anomalies and contradictions that hobble President Ford's clemency program. It is not generally realized that there are three quite distinct operations in the program. They seem to be administered with distinct attitudes.

The Presidential Clemency Board, under the chairmanship of former Senator Charles E. Goodell, deals only with men who have already been punished—as deserters or draft evaders. The board keeps all information in confidence, and no one who approaches it can end up any worse off. Its function is to recommend conditional or absolute pardons.

The Defense Department handles the cases of military personnel who went AWOL and were never caught or punished. It has a final list of 12,500 such men and will tell anyone whether he is on the list without his risking being added to it. A man can wipe out his fear of capture and punishment by coming in and, in a day, getting an undesirable discharge. Of the 12,500, some 2,200 have so far come in.

The Justice Department deals with civilian draft evaders. It is authorized to drop all

threats of prosecution against anyone who comes in and accepts alternate service of up to two years. Only 131 men have, so far.

Justice evidently recognizes the value of some repose and finality in the unhappy area of draft offenses. It has instructed its prosecutors, the United States attorneys around the country, to prune their files of all draft cases except those clearly justifying prosecution. It also has a list—of about 4,000 men under indictment and another 2,200 who are the subject of active investigations.

But the list is not final. In the words of a department lawyer working on the clemency program, Bruce Fine, "the fact that your name is not on the list is no guarantee. The list is not a final determinant of all those who may be required to do alternate service"—or be prosecuted.

Mr. Fine saw nothing wrong with this approach. "I'm not terribly sympathetic to someone who escaped prosecution by accident," he said. Our feeling is that somebody ought not to get what amounts to unconditional amnesty merely because he has not been detected."

In that comment Mr. Fine inadvertently exposed the fallacy in the whole Ford clemency program. That is the notion that a fundamentally inequitable situation can be cured by ad hoc decisions for or against a few men.

There never was any equity in the way the law treated those who did not want to fight in Vietnam. By far the largest number got off legally, by luck or because they had better advice or were more articulate or were rich enough to go to college. Of those not legally exempted, many slipped quietly through the system. Only a few became declared fugitives. Among those caught, punishments differed widely.

There is no way to provide equal justice now for all those who avoided service and were treated so differently—or for those who fought, suffered and died. Nor are those Americans who committed crimes of war against the Vietnamese going to be brought to justice. No law will satisfy our sense of equity. All we can hope is to put the trauma behind us. That is the case for a genuine amnesty.

So few persons have responded to the clemency program that Mr. Ford will doubtless have to consider some further action after Jan. 31. His instinct has been right on this issue. This time he should recognize that complicated schemes to balance irreconcilable interests will prolong the agony of Vietnam. The purpose can only be what another President said after our most terrible war until Vietnam: "To bind up the nation's wounds."

CAN WE SAVE FREE ENTERPRISE?

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. ARMSTRONG. Mr. Speaker, America's free enterprise system is being destroyed. Sadly, a lot of people who ought to be fighting to save it are seemingly ignoring the threat.

Our national economy is already hamstrung with illogical regulations. Signs of more pernicious dangers are becoming increasingly obvious.

For a long time, most of us have dismissed calls for economic regimentation, nationalization, punitive taxation and other anti-free-enterprise proposals as ravings of the lunatic fringe. But now

such measures are often advocated by supposedly responsible elements of the media, academia and the Congress.

How can this be happening to America?

This Nation's free economic system is a marvel. It has made possible material abundance beyond the dreams of earlier ages and peoples in less fortunate lands.

Throughout most of our history, free economic institutions have been recognized as underpinning of our free society, the bulwarks of other freedoms—religious, political, intellectual—that are the very essence of the American dream.

But over the years, we have gotten out of the habit of defending free enterprise. And our leaders are now ill-prepared to cope with the increasing clamor of anti-free-enterprise propaganda.

The misguided advocates of economic regimentation do not seem to realize the consequences of their schemes will be an economic catastrophe, signs of which are already evident. Nor do they apparently perceive the loss of economic freedom is almost certain to be followed by the loss of other cherished liberties.

Day after day, new proposals seek to restrict free market, control prices, wages, profits, business practices, and competition or to impose other forms of regimentation, reduce incentives for production, establish punitive tax policy or outright nationalization, proposals which ought to be greeted with howls of outrage are allowed to pass with scarcely a murmur of dissent—indeed, almost with an air of weary resignation—even by those who should know better.

So the antibusiness bias of Government, academic and the media is growing steadily worse. But still only a few voices are raised to defend free economic institutions, to explain why profits are good for everyone including customers and workers as well as managers and owners, the role of prices in allocating resources and fine tuning supply and demand, the fantastic economic efficiency of free enterprise and the failure of central planning and regimentation wherever it has been tried, the inseparable relationship between economic freedom and other civil rights, and other issues desperately in need of forceful advocacy.

In an era when the defense of economic freedom is so timid, it is heartening to read an article of such clarity and power as Henry Hazlitt's essay "Can We Keep Free Enterprise?"

Mr. Hazlitt, a noted economist, author, and editor, is well known to readers of the New York Times, Wall Street Journal, Newsweek, the Freeman, and National Review, among some of the many publications for which he has frequently written. He is also the author of several books and is widely recognized for his economic expertise.

In the following article, Mr. Hazlitt says some things sorely in need of saying. I am grateful he has made his arguments with such precision and style:

CAN WE KEEP FREE ENTERPRISE?

(By Henry Hazlitt)

Nine-tenths of what is written today on economic questions is either an implied or explicit attack on capitalism. The attacks are occasionally answered. But none of the an-

swers, even when they are heard, are ever accepted as conclusive. The attacks keep coming, keep multiplying. You cannot pick up your daily newspaper without encountering half a dozen. The sporadic answers are lost in the torrent of accusation. The charges or implied charges outnumber the rebuttals ten to one.

What is wrong? Does capitalism, after all, have an indefensible case? Have its champions been not only hopelessly outnumbered but hopelessly outargued? We can hardly think so if we recall only a few of the great minds that have undertaken the task of defense, directly or indirectly, in the past—Hume, Adam Smith, Ricardo, Malthus, Bastiat, Senior, Boehm-Bawerk, John Bates Clark; or of the fine minds that have undertaken it in our day—Ludwig von Mises, F. A. Hayek, Milton Friedman, Murray Rothbard, Hans Sennholz, Israel Kirzner, David McCord Wright, and so many others.

What, then, is wrong? I venture to suggest that no defense of capitalism, no matter how brilliant or thorough, will ever be generally accepted as definitive. The attacks on capitalism stem from at least five main impulses or propensities, all of which will probably be with us permanently, because they seem to be inherent in our nature. They are: (1) genuine compassion at the sight of individual misfortune; (2) impatience for a cure; (3) envy; (4) the propensity to think only of the intended or immediate results of any proposed government intervention and to overlook the secondary or long-term results; and (5) the propensity to compare any actual state of affairs, and its inevitable defects, with some hypothetical ideal.

These five drives or tendencies blend and overlap. Let us look at them in order, beginning with compassion. Most of us, at the sight of extreme poverty, are moved to want to do something to relieve it—or to get others to relieve it. And we are so impatient to see the poverty relieved as soon as possible that, no matter how forbidding the dimensions of the problem, we are tempted to think it will yield to some simple, direct, and easy solution.

THE ROLE OF ENVY

Let us look now at the role of envy. Few of us are completely free from it. It seems to be part of man's nature never to be satisfied as long as he sees other people better off than himself. Few of us, moreover, are willing to accept the better fortune of others as the result of greater effort or gifts on their part. We are more likely to attribute it at best to "luck" if not to "the system." In any case, the pressure to pull down the rich seems stronger and more persistent in most democracies than the prompting to raise the poor.

Envy reveals itself daily in political speeches and in our laws. It plays a definite role in the popularity of the graduated income tax, which is firmly established in nearly every country today, though it violates every canon of equity. As J. R. McCulloch put it in the 1830's: "The moment you abandon the cardinal principle of exacting from all individuals the same proportion of their income or of their property, you are at sea without rudder or compass, and there is no amount of injustice or folly you may not commit."

McCulloch's prediction has been borne out by events. Historically, almost every time there has been a revision of income-tax rates the progression has become steeper. When the graduated income tax was first adopted in the United States in 1913, the top rate was 7 percent. Some thirty years later it had risen to 91 percent. In Great Britain the top rate went from 8¼ to 97½ percent in a similar period. It has been repeatedly demonstrated that the confiscatory rates yield negligible revenues. The reduction of real income that they cause is certainly greater than the revenue they yield. In brief, they have hurt even the taxpayers in the lower brackets.

Yet envy has played a crucial role in keeping the progressive income tax. The bulk of the taxpayers accept far higher rates of taxation than they would if the rates were uniform; for the taxpayers in each tax bracket console themselves with the thought that their wealthier neighbors must be paying a far higher rate. Thus though about two-thirds (65.5 percent) of the income tax is paid (1969) by those with adjusted gross incomes of \$20,000 or less, there is an almost universal illusion that the real burden of the tax is falling on the very rich.

But perhaps the greatest reason why governments again and again abandon the principles of free enterprise is mere shortsightedness. They attempt to cure some supposed economic evil directly by some simple measure, and completely fail to foresee or even to ask what the secondary or long-term consequences of that measure will be.

TAMPERING WITH MONEY

From time immemorial, whenever governments have felt that their country was insufficiently wealthy, or when trade was stagnant or unemployment rife, the theory has arisen that the fundamental trouble was a "shortage of money." After the invention of the printing press, when a government could stamp a slip of paper with any denomination or issue notes without limit, any imaginable increase in the money supply became possible.

What was not understood was that any stimulative effect was temporary, and purchased at excessive costs. If the boom was obtained by an overexpansion of bank credit, it was bound to be followed by a recession or crisis when the new credit was paid off. If the boom was obtained by printing more government fiat money, it temporarily made some people richer only at the cost of making other people (in real terms) poorer.

When the supply of money is increased the purchasing power of each unit must correspondingly fall. In the long run, nothing whatever is gained by increasing the issuance of paper money. Prices of goods tend, other things equal, to rise proportionately with the increase in money supply. If the stock of money is doubled, it can in the long run purchase no more goods and services than the smaller stock of money would have done.

And yet the government of nearly every country in the world today is busily increasing the issuance of paper money, partly if not entirely because of its belief that it is "relieving the shortage of money" and "promoting faster economic growth." This illusion is intensified by the habit of counting the currency unit as if its purchasing power were constant. In 1971 there was a great outburst of hurrahs because the GNP (gross national product) had at last surpassed the magic figure of a trillion dollars. (It reached \$1,046 billion.) It was forgotten that if the putative GNP of 1971 had been stated in terms of dollars at their purchasing power in 1958 this 1971 GNP would have come to \$740 billion, and if stated in terms of the dollar's purchasing power in 1939 would have come to only \$320 billion.

Yet monetary expansion is everywhere today—in every country and in the International Monetary Fund with its SDRs—the official policy. Its inevitable effect is rising prices. But rising prices are not popular. Therefore governments forbid prices to rise.

And this price control has the enormous political advantage of deflecting attention away from the government's own responsibility for creating inflation, and by implication puts the blame for rising prices on the greed of producers and sellers.

PRICE CONTROL

The record of price controls goes as far back as human history. They were imposed

by the Pharaohs of ancient Egypt. They were decreed by Hammurabi, king of Babylon, in the eighteenth century B. C. They were tried in ancient Athens.

In 301 A. D., the Roman Emperor Diocletian issued his famous edict fixing prices for nearly eight hundred different items, and punishing violation with death. Out of fear, nothing was offered for sale and the scarcity grew far worse. After a dozen years and many executions, the law was repealed.

In Britain, Henry III tried to regulate the price of wheat and bread in 1202. Antwerp enacted price-fixing in 1585, a measure which some historians believe brought about its downfall. Price-fixing laws enforced by the guillotine were also imposed during the French Revolution, though the soaring prices were caused by the revolutionary government's own policy in issuing enormous amounts of paper currency.

Yet from all this dismal history the governments of today have learned absolutely nothing. They continue to overissue paper money to stimulate employment and "economic growth"; and then they vainly try to prevent the inevitable soaring prices with ukases ordering everybody to hold prices down.

HARMFUL INTERVENTION

But though price-fixing laws are always futile, this does not mean that they are harmless. They can do immensely more economic damage than the inflation itself. They are harmful in proportion as the legal price-c ceilings are below what unhampered market prices would be, in proportion to the length of time the price controls remain in effect, and in proportion to the strictness with which they are enforced.

For if the legal price for any commodity, whether it is bread or shoes, is held by edict substantially below what the free market price would be, the low fixed price must over-encourage the demand for it, discourage its production, and bring about a shortage. The profit margin in making or selling it will be too small as compared with the profit margin in producing or selling something else.

In addition to causing scarcities of some commodities, and bottlenecks in output, price control must eventually distort and unbalance the whole structure of production. For not only the absolute quantities, but the proportions in which the tens of thousands of different goods and services are produced, are determined in a free market by the relative supply and demand, the relative money prices, and the relative costs of production of commodities. A, B, C, and N. Market prices have work to do. They are signals to both producers and consumers. They tell where the shortages and surpluses are. They tell which commodities are going to be more profitable to produce and which less. To remove or destroy or forbid these signals must dis-coordinate and discourage production.

SELECTIVE CONTROLS—NO STOPPING PLACE

General price controls are comparatively rare. Governments more often prefer to put a ceiling on one particular price. A favorite scapegoat since World War I has been the rent of apartments and houses.

Rent controls, once imposed, are sometimes continued for a generation or more. When they are imposed, as they nearly always are, in a period of inflation, the frozen rents year by year become less and less realistic. The long-term effect is that the landlords have neither the incentive nor the funds to keep the rental apartments or houses in decent repair, let alone to improve them. Losses often force owners to abandon their properties entirely. Private builders, fearing the same fate, hesitate to erect new rental housing. Slums proliferate, a shortage of housing develops, and the majority of tenants, in whose supposed interest the rent control was imposed in the first place, become worse off than ever.

Perhaps the oldest and most widespread form of price control in the world is control of interest rates. In ancient China, India, and Rome, and nearly everywhere throughout the Middle Ages, all interest was called "usury," and prohibited altogether. This made economic progress all but impossible. Later, the taking of interest was permitted, but fixed legal ceilings were imposed. These held back economic progress but did not, like total prohibition, prevent it entirely.

Yet political hostility to higher-than-customary interest rates never ceases. Today, bureaucrats combat such "exorbitant" rates more often by denunciation than by edict. The favorite government method today for keeping interest rates down is to have the monetary managers flood the market with new loanable funds. This may succeed for a time, but the long-run effect of over-issuance of money and credit is to arouse fears among businessmen that inflation and rising prices will continue. So lenders, to protect themselves against an expected fall in the future purchasing power of their dollars, add a "price premium." This makes the gross market rate of interest higher than ever.

The propensity of politicians to learn nothing about economics is illustrated once again in the laws governing foreign trade. The classical economists of the eighteenth century utterly demolished the arguments for protectionism. They showed that the long-run effect of protective tariffs and other barriers could only be to make production more inefficient, to make consumers pay more and to slow down economic progress. Yet protectionism is nearly as rampant as it was before 1776, when *The Wealth of Nations* was published.

THE CONQUEST OF POVERTY

In the same way, all the popular political measures to reduce or relieve poverty are more distinguished for their age than for their effectiveness.

The major effect of minimum-wage laws is to create unemployment, chiefly among the unskilled workers that the law is designed to help. We cannot make a worker's services worth a given amount by making it illegal for anyone to offer him less. We merely deprive him of the right to earn the amount that his abilities and opportunities would permit him to earn, while we deprive the community of the moderate services he is capable of rendering. We drive him on relief.

And by driving more people on relief by minimum-wage laws on the one hand, while on the other hand enticing more and more people to get on relief by constantly increasing the amounts we offer them, we encourage the runaway growth of relief rolls. Now, as a way to "cure" this growth, reformers come forward to propose a guaranteed annual income or a "negative income tax." The distinguishing feature of these handouts is that they are to be given automatically, without a means test, and regardless of whether or not the recipient chooses to work. The result could only be enormously to increase the number of idle, and correspondingly to increase the tax burden on those who work. We can always have as much unemployment as we are willing to pay for.

At bottom, almost every government "anti-poverty" measure in history has consisted of seizing part of the earnings or savings of Peter to support Paul. Its inevitable long-run result is to undermine the incentives of both Peter and Paul to work or to save.

What is overlooked in all these government interventions is the miracle of the market—the amazing way in which free enterprise maximizes the incentives to production, to work, innovation, efficiency, saving, and investment, and graduates both its penalties and rewards with such accuracy as to tend to bring about the production of the tens of thousands of wanted goods and services in the proportions in which they are most demanded by consumers. Only free

private enterprise, in fact, can solve what economists call this problem of economic calculation.

THE PROBLEM OF CALCULATION

Socialism is incapable of solving the problem. The bureaucratic managers of nationalized industries may be conscientious, God-fearing men; but as they have no fear of suffering personal losses through error or inefficiency, and no hope of gain personal profits through cost-cutting or daring innovation, they are bound, at least, to become safe routinists, and to tolerate a torpid inefficiency.

But this is the smallest part of the problem. For a complete socialism would be without the guide of the market, without the guide of money prices or of costs in terms of money. The bureaucratic managers of the socialist economy would not know which items they were producing at a social profit and which at a social loss. Nor would they know how much to try to produce of each item or service, or how to make sure that the production of tens of thousands of different commodities was synchronized or coordinated. They could, of course (as they sometimes have), assign arbitrary prices to raw materials and to the various finished items. But they would still not know how much or whether the bookkeeping profits or losses shown reflected real profits or losses. In short, they would be unable to solve the problem of economic calculation. They would be working in the dark.

The directors of a socialist economy would have to fix wages arbitrarily, and if these did not draw the right number of competent workers into making the various things the directors wanted produced, and in the quantities they wanted them to be produced, they would have to use coercion, forcibly assign workers to particular jobs, and direct the economy from the center, in a military kind of organization. The militarization and regimentation of work is what, in fact, Cuba, Russia, and Red China have resorted to.

RIISING EXPECTATION

We come finally to the fifth reason that I offered at the beginning for the chronic hostility to free enterprise. This is the tendency to compare actual state of affairs, and its inevitable defects, with some hypothetical ideal; to compare whatever is with some imagined paradise that might be. In spite of the prodigious and accelerative advances that a dominantly private enterprise economy has made in the last two centuries, and even in the last two decades, these advances can always be shown to have fallen short of some imaginable state of affairs that might be even better.

It may be true, for example, that money wages in the United States have increased fivefold, and even after all allowance has been made for rising living costs, that real wages have more than doubled in the last generation. But why haven't they tripled? It may be true that the number of the "poor", by the Federal bureaucrats' yardstick, fell from 20 percent of the population in 1962 (when the estimate was first made) to 13 percent in 1970. But why should there be any poor people left at all? It may be true that the employees of the corporations already get seven-eighths of the entire sum available for distribution between them and the stockholders. But why don't the workers get the whole of it? And so on and so on.

The very success of the system has encouraged constantly rising expectations and demands—expectations and demands that keep racing ahead of what even the best imaginable system could achieve.

The struggle to secure what we now know as capitalism—i.e., unhampered markets and private ownership of the means of production—was long and arduous. It has proved

an inestimable boon to mankind. Yet if this system is to be saved from willful destruction, the task of the incredibly few who seem to understand how and why it works is endless. They cannot afford to rest their case on any defense of free enterprise, or any exposure of socialism or other false remedies, that they or their predecessors may have made in the past. There have been some magnificent defenses over the past two centuries, from Adam Smith to Bastiat, and from Boehm-Bawerk to Mises and Hayek. But they are not enough. Every day capitalism faces some new accusation, or one that parades as new.

ETERNAL VIGILANCE—TRUTH NEEDS REPEATING

In brief, ignorance, shortsightedness, envy, impatience, good intentions, and a utopian idealism combine to engender an endless barrage of charges against "the system"—which means against free enterprise. And so the return fire, if free enterprise is to be preserved, must also be endless.

I find I have only been applying to one particular field and exhortation that Goethe once applied to all fields of knowledge. In 1828 he wrote in a letter to Eckermann:

"The truth must be repeated again and again, because error is constantly being preached round about us. And not only by isolated individuals, but by the majority. In the newspapers and encyclopedias, in the schools and universities, everywhere error is dominant, securely and comfortably enshrined in public opinion which is on its side."

Yet above all in political and economic thought today, the need to keep repeating the truth has assumed an unprecedented urgency. What is under constant and mounting attack is capitalism—which means free enterprise—which means economic freedom—which means, in fact, the whole of human freedom. For as Alexander Hamilton warned: "Power over a man's subsistence is power over his will."

What is threatened, in fact, is no less than our present civilization itself; for it is capitalism that has made possible the enormous advances not only in providing the necessities and amenities of life, but in science, technology, and knowledge of all kinds, upon which that civilization rests.

All those who understand this have the duty to explain and defend the system. And to do so, if necessary, over and over again.

This duty does not fall exclusively on professional economists. It falls on each of us who realizes the untold benefits of free enterprise and the present threat of its destruction to expound his convictions within the sphere of his own influence, as well as to support others who are expounding like convictions. Each of us is as free to practice what he preaches as to preach what he practices. The opportunity is as great as the challenge.

THE CONFIRMATION OF NELSON ROCKEFELLER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. SYMMS. Mr. Speaker, next week we are expecting to vote on the confirmation of Nelson Rockefeller as Vice President of the United States. I and several of my colleagues have grave reservations as to the suitability of Mr. Rockefeller for this high office. My opposition to Rockefeller is based on his record as Governor of New York and his general philosophy of government.

At the request of several other members and myself the Republican Steering Committee prepared a paper on the Rockefeller record and his views on government. I would like to commend the fine job done by the steering committee on this paper and the research work they do on behalf of conservative Republican Congressmen.

It is my hope, Mr. Speaker, that my colleagues will take some of these points seriously as they prepare to vote on this nomination. Therefore, I would like at this time, to read this paper into the Record.

Mr. Speaker, I might add that the Republican Steering Committee as an organization does not take positions on issues and this research is not to be interpreted as a view held by all members of Republican Steering Committee.

SEVEN REASONS WHY MANY CONSERVATIVES OPPOSE THE CONFIRMATION OF NELSON ROCKEFELLER AS VICE PRESIDENT OF THE UNITED STATES

INTRODUCTION

The American Presidency—the engine of our government—is now in a unique position. For the first time in our history we have a President who was not elected by the people. For the first time in over 150 years we have a President who was not chosen as a candidate for either President or Vice President at the national convention of one of the major political parties.

Former President Nixon did have the wisdom of choosing as his Vice President under the 25th Amendment a man who at least was elected to the leadership of his party's Representatives in the Congress and who did and does enjoy the confidence of the great majority of our people. If the Republican party controlled the House of Representatives, Mr. Ford would have been the Speaker of the House and therefore would have become President if the 25th Amendment had not been ratified. In the case of President Ford therefore we do not have too great a departure from tradition.

The nomination of Nelson Rockefeller to the Vice Presidency, however, is necessarily the source of much more concern. The former governor of New York was an active candidate for the nomination of his party for the Presidency three times and three times he was decisively defeated for that nomination by the elected delegates of Republican voters. In all his many years of active politics, Rockefeller has been identified with one wing—a minority wing—of his party. He is regarded as a liberal Republican and has never had the confidence of the majority wing of the Republican Party, the conservative wing.

A large number of Republicans, perhaps a majority, as well as many independents and Democrats do not have confidence in Nelson Rockefeller and do not believe that he should now receive at the hands of one man the national office that he could never win at the hands of the people . . . despite many expensively-financed attempts.

These conservative Republicans oppose Rockefeller's confirmation for at least seven major reasons.

I. LACK OF POPULAR SUPPORT

In the latest Harris poll, taken in November only 39% of the American people approve of Rockefeller's nomination. 43% are opposed and 18% are not sure. The drop in Rockefeller's public standing since the beginning of the Congressional hearings is apparently due to public concern over two major issues.

According to that Harris poll, 47% of the American people believe there would be a conflict of interest if he were confirmed as Vice President because of his family's finan-

cial holdings and investments, 34% disagree with this view and 19% are not sure; 54% in the Harris poll do not believe that it was all right for him to give \$2 million as gifts and loans to people he appointed to high office. 28% believe it was all right and 18% are unsure.

In the unique situation in which we now find ourselves (having a non-elected President who replaced a man forced to resign from the Vice Presidency and then who went on to succeed another man who was also forced to resign from the Presidency) it is vital, if public confidence in our political institutions is to be restored, that our newly appointed Vice President be a man (or woman) who has the full and unquestioned support of the great majority of the American people. If Nelson Rockefeller at this time had the confidence of only 55% of the people it would be an undesirable situation; the fact that he apparently has the support of barely 40% of the people makes his position untenable.

According to another poll conducted by the American Conservative Union, Rockefeller's support among people who regard themselves as conservative is practically nonexistent. Only 11% of the 3000 ACU members polled said they favored the nomination. Since conservatives make up the largest part of what is still the major conservative party in this country, it seems difficult to justify the nomination of a man who totally lacks support in the majority wing of his own party.

II. CONFLICT OF INTEREST

Although wealth (no more than poverty) should exclude no one from political office, Nelson Rockefeller is one of the very few Americans whose financial interest are so widespread that there is no conceivable way that conflicts of interests can be avoided. If, for instance, Rockefeller derived his wealth from one major source, such as automobile manufacturing, everyone would know this fact and any political judgments he made as Vice President or President which affected automobile manufacturing would be fully and fairly criticized by the press and public. Obviously, he would have to lean over backwards to avoid the appearance of favoring the Rockefeller Motor Corporation and that problem would then solve itself. The Rockefeller family holdings are so vast and so diversified, however, that there is practically no major part of our economy where Nelson Rockefeller does not have a financial interest.

The Rockefeller interests, directly and indirectly control between 8 and 10 million shares of Exxon, have a "substantial presence" in Mobil Oil, own all the preferred stock of Eastern Airlines, and hold at least 700,000 shares of the Chase Manhattan Bank which has branches in most countries of the world. In addition the Chase Bank through its own trust department, holds the largest single blocks of shares in United Airlines, Northwest Airlines, and Atlantic Richfield Oil, plus sizeable chunks of AT&T, IBM, Sperry Rand, Motorola, IIT, and so on.

As Senator Jesse Helms recently put it, "There is no way in which he can perform the duties of Vice President, or President, without laying himself open to the charge that his actions are tainted by the outlook or interests of the Rockefeller family dynasty. If the people had an opportunity to judge him in an election, the people could decide whether such a consideration should be decisive. But there is no way that he can take office under the 25th Amendment without that event appearing to confirm the hypothesis that the Rockefeller interests control the Nation, including the Congress. It is not fair to Mr. Rockefeller to put him in such an untenable position."

III. GIFTS TO PUBLIC OFFICIALS

In his testimony before the Senate Rules Committee, Rockefeller admitted that he gave

gifts totaling some \$2 million to 18 public officials over a period of several years. Several of the public servants were employed by the State of New York at the time. There is a New York state law which prohibits gifts of more than \$25 in value to state employees for the purpose of "influencing them in the performance of their professional duties."

Again, although there is no specific evidence that these very substantial gifts were intended to be bribes to insure the performance of particular acts that these officials otherwise would not have performed, there is no doubt that this pattern of philanthropic behaviour has caused uneasiness in the minds of many people. 54% of the people polled by Harris, as we have seen, disapproved of this conduct.

Rockefeller has shown in this behavior a basically cavalier attitude toward the law of his own state. Because he doubtless believed that he had no improper intentions he took it upon himself to ignore a very clear law against giving gifts of any appreciable value to state public servants.

In effect, while Governor, he decided by himself to pay certain favored state officials higher salaries than the people of New York wished them to be paid. It is a well-established principle in all democracies that the legislature, the people's representatives, must control the purse-strings of government. By unilaterally changing the official salary scale, at the very minimum, he usurped an important power of another branch of government.

Rockefeller himself has essentially admitted that this policy was wrong since he has promised he will not give valuable gifts (with the exception of ordinary Christmas presents, etc.) to any federal employee if he is confirmed as Vice President.

As Senator Jesse Helms has recently remarked on the floor of the Senate, "It is now plain that Mr. Rockefeller conducted a governorship in which the restraints of law and custom were subordinated to his personal style of governing. It is for New Yorkers to decide whether his policies were wise; it is for the rest of us to decide whether his style ought to be transferred to the Federal executive offices."

IV. EXCEPTIONALLY HIGH TAXES AND RISING DEBT IN NEW YORK STATE

Aside from matters of conflicting financial interests and possible personal financial impropriety, the Congress should carefully consider Rockefeller's public record as Governor of New York before voting on his confirmation.

It is not only logical but necessary to evaluate that record before passing judgment on his fitness for the Vice Presidency or Presidency. Many people believe it would be a profound mistake to elevate a man who has so over-taxed his own state as to cause it to lose businesses and jobs at an alarming rate. Obviously, if he could pursue such a high tax policy in New York he could well try to impose yet higher levies on the Nation as a whole should he become President.

The record here is very clear. In his years as Governor of New York Rockefeller increased the cost of state government by an almost unbelievable 400%.

From 1959 through Fiscal 1974, New York State's budget went up from Democratic Governor Harriman's relatively frugal \$1.9 billion to nearly \$9 billion. Under Rockefeller's money-devouring administration, state taxes were imposed or increased at least every other year: in 1959, 1963, 1965, 1966, 1968, 1969, 1971 and 1972. During his time in office, the maximum rates on the state income tax more than doubled, from 7 percent to 15 percent. Over the same period, the state gasoline tax went up from 4 to 8 cents a gallon, the cigarette tax from 3 to 15 cents per pack. A 4 percent state sales tax was imposed. In 15 years, the taxload of hard-

pressed New Yorkers early quintupled. According to the Citizens Public Expenditure Survey, Inc., taxpayers in New York State are today the most overburdened in the U.S.

The bonded indebtedness of New York also increased 600% under Rockefeller. It is ironical that Rockefeller would have driven the state even deeper in debt were it not for the restraining influence of the State Comptroller, Arthur Levitt, a Democrat. Levitt has said, "Rockefeller and his staff fashioned devices whereby debt was imposed on the people without their vote. This was done despite the fact that the state constitution forbids the assumption of debt or guarantee of debt without the vote of the people."

The question naturally arises, will Rockefeller as Vice President or President be as cavalier with the laws and Constitution of the United States as he was with the Constitution of New York?

Levitt, in an interview with the American Conservative Union (Battleline, August 1974, p. 3), went on to comment that he disagreed strongly with Rockefeller's passion for building more and more buildings and thus pushing the state more and more into debt. "My feeling was," he said, "that with the rising inflation that began to be evident in 1966, 1967 and 1968 that it was imprudent to embark upon huge spending programs beyond the capacity of our taxpayers to pay, expenditures involving huge borrowings, incurring debt that would extend many, many years into the future." Rockefeller maintained that since costs were increasing every year, it was wise to build now and thus escape higher costs in the future.

Of course, as Levitt has said, "This is the very essence, the very language and philosophy of inflation. My argument with him," Levitt went on to say, "was that although this might be appropriate for the private sector, even though I'd question its morality, for government to do this is a betrayal of the people."

Rockefeller's policy of tax and tax, spend and spend and elect and elect was popular with certain powerful vested interest groups which benefited (or thought they benefited) from inflation and debt. The construction unions, in particular, have long been pillars of Rockefeller's empire in New York State. For 15 years he ruled New York by forging an alliance of certain sectors of big business and big labor at the expense of the average taxpayer.

President Ford has said that our number one domestic problem is inflation, now running at about 12% a year. It is reported that, if Rockefeller is confirmed, the President will assign him the task of presiding over the administration's war on inflation. In view of Rockefeller's almost incredible record as a champion inflationist in New York, this would be tantamount to appointing the village arsonist fire chief.

V. LESS AND LESS JOBS AND MORE AND MORE WELFARE

As a direct result of Rockefeller's financially improvident policies in his home state, New York State lost 400,000 jobs during the years of his governorship. New York's share of the nation's manufacturing declined significantly during those years (from 11.2% to 9.2%). Many national companies moved to other parts of the country; thousands of businesses have fled across the Hudson to New Jersey since the cost of doing business in New York has become prohibitive for many industries.

At the same time the welfare rolls have grown larger each year until, in New York City alone, one out of every six persons is now a welfare client.

VI. WORLD FEDERALISM

Congressman John Ashbrook has recently pointed out that Rockefeller has long been an advocate of world federalism and that it

would be less than desirable to have as a President of the United States a man who believes in submerging the sovereignty of the American nation under some form of world government. "I find it somewhat ironic," Rep. Ashbrook has said, "that—as our country is preparing for its 200th birthday celebration—a man would be nominated as Vice President who believes the nation state is an anachronism and who espouses the principles of international federalism."

VII. TAXPAYER-GUARANTEED LOANS TO COMMUNIST COUNTRIES

Rockefeller has also long been a proponent of trade with Communist nations, preferably subsidized by loans to Communist governments guaranteed by American taxpayers. Of all the questionable purposes for which our tax dollars are spent, surely one of the least excusable is to finance the shipping of U.S. technology and industrial plants to the Soviet Union—and this is a policy Rockefeller has favored for years.

CONCLUSION

As Congresswoman Marjorie Holt has put it, "It's a safe bet that a large majority of Republicans are unhappy with the choice of Nelson Rockefeller for the vice presidency. The party rejected his presidential ambitions in three past national conventions. I am unhappy with the choice, not only because it ignores the will of most Republican voters, but also because it fails to reflect the conservative mandate expressed by the American voters in the 1972 elections. President Ford is working so hard for consensus politics that he is risking an early alienation of conservative voters."

Congressman Steve Symms focused on the misgivings of many conservatives when he recently summed up his reasons for opposing Nelson Rockefeller's nomination. "Nelson Rockefeller," he said, "represents—in the mind's eye of most Americans—big government, big business, big labor, high taxes, the centralization of power and abrogation of liberty, which were all part of the Great Society, New Deal, paternalistic government approach which was soundly rejected at the polls in 1968 and 1972."

THE DEMOCRATIC PROGRAM FOR THE ECONOMY IS A RECIPE FOR SHORTAGES AND A RETURN TO CONTROLS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. KEMP. Mr. Speaker, yesterday this House unwisely reacted to the shortage of investment capital in this country by passing a \$2 billion emergency public employment bill which can only be paid for through higher taxes or increased inflation.

It was said in debate that this was an important feature of the eight-point program for our faltering economy, formulated at the Democrat's Kansas City convention.

I would like to point out to my colleagues, both Republican and Democrat, who still believe in free enterprise, that the last part of the eight-point program is across-the-board wage and price controls. Have we not learned our lesson from the beef freeze?

As the Wall Street Journal correctly summed it up, all this is rather pitiful. It seems the Democratic Party can do no

better than return to the New Deal prescriptions which not only did nothing to end the depression, but which, when followed by Britain, drove the economy of that Nation into nationalization of over 60 percent of the industry.

What is even more pitiful is the support the Democrats are getting from Republicans who should know better, and who at one time helped our party stand for free market economics and the incentive system of private enterprise.

As we add more workers to the public payroll have we forgotten that one out of every six Americans in the labor force today works for the Government and as the debts and deficits pile up, the growth of the public sector further erodes the capital necessary to truly stimulate our economy and provide more jobs and better wages for American workers.

At this point, Mr. Speaker, I include for the RECORD the following editorials:

THE DEMOCRATIC PROGRAM

The eight-point economic program adopted by the Democratic Party at its Kansas City convention invites at least one word of commendation. It has forced us to realize how imaginative and effective, by comparison, is President Ford's WIN button as a means of dealing with the nation's economic problems.

We assume that those who drafted the program intended for it to be taken seriously as a blueprint for national policy, by the economically literate as well as economically illiterate. But we can find very little that anyone could take seriously, other than out of a sense of horror that a national party in 1974 would merely resurrect the discredited panaceas of the 1930s. The program could only have been conceived by a committee of party hacks sitting around trying to imagine what Franklin Roosevelt, John Maynard Keynes and Henry Wallace might have proposed.

They recommend a public-service job program in which the unemployed worker does not even have to look for a job in the private sector before becoming eligible for a government rake or shovel. "To assist faltering businesses," they would revive the Reconstruction Finance Corporation to channel credit subsidies to the worthy. The Federal Reserve and other federal lending agencies are invited to allocate credit away from "speculative ventures" to "productive enterprises." Taxes for lower middle income people will be lowered by closing "tax loopholes." Two birds are slain with one stone by ending "those tax incentives that encourage multinational corporations to export American jobs and capital."

To fight inflation, the Democrats reach back to World War II, with a few creative twists. "We support an across-the-board system of economic controls, including prices, wages, executive compensation, profits and rents. Provision should be made for wage catch-up and price rollbacks." And to insure that the controls are administered equitably, authority should not be given to the Republican President, but to a special council managed by Congress, which would vest it with "whatever monitoring and enforcement procedures are necessary." Gasoline should be rationed.

All this is rather pitiful. The Democratic Party, which once prided itself on being a magnet for the nation's intellectual elite, can do no better than return to the fetal position of the Roosevelt coalition. All that's missing is a Blue Eagle and a plan to pack the Supreme Court with appointees of the Democratic Study Group.

But why should any parts of this program work now, when they did not work when FDR tried them? After eight years of Roose-

veltian experiments with CCCs and RFCs, the U.S. economy was in no better shape than when the mess was inherited from Herbert Hoover. Nor did wage and price controls work much better in wartime, when administered by 300,000 bureaucrats, than they did when President Nixon tried them in peacetime. The program the Democrats now propose could not even be contemplated without also sealing off the U.S. economy from global trade. Otherwise all internal investment would grind to a halt, with capital fleeing abroad and with inventories exported at artificial prices.

The prescriptions of Kansas City are precisely the ones the British have followed in driving their economy into the ground. Sixty percent of all Britain's economic activity is managed in one way or another through the government, and the private sector continues to function only out of habit. There is no incentive to produce when what is produced is taxed away. If there is hope in the U.K., it is because the Labor Party has lately shown some small signs of turning away from the caricatured Keynesianism that has dominated British thinking—moving away from "incomes policies" and relenting on government taxation of the private sector.

The only other good thing about the Democratic package is that at the moment there is little chance the economy will be burdened with much of it. Congressional Democrats and organized labor went along with it at the convention only to preserve the appearance of party unity. "We aren't quite ready for all this yet," said George Mahon, chairman of the House Appropriations Committee. If the day ever comes when they are ready for all this, there will not be much left of the U.S. economy.

ANALYZING SOVIET POLICY TOWARD THE WEST

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. ASHBROOK. Mr. Speaker, with the recent announcement by President Ford on arms agreements with the Soviet Union, I think that it is important to understand Soviet policy toward Western Europe. The Soviet view of the two power blocs in Europe—their own and that of the United States and its allies—is an important consideration for American policymakers.

As Gerhard Wettig has written:

Soviet representatives have always stubbornly insisted, especially during negotiations, that the reality which is to serve as a point of departure can only lie within the framework of Soviet ideas. . . . Soviet design, on the basis of Soviet power, decides what can become reality. It is up to the Atlantic and neutral States to bring into play their own design on the basis of their own power in order to determine the shaping of political reality, and not leave the decision on the structure of East-West relations to the U.S.S.R. alone.

In regard to this view, which I think is correct, it is also important to remember the composition of what Wettig refers to as "the framework of Soviet ideas." Gerhard Niemeyer has explicated what this means. Dr. Niemeyer has stated:

Communists regard the present not as a status quo to be preserved, but as a period of transition in the revolutionary struggle

for a Socialist future. . . . The Communists are oriented toward a future which in no way resembles that of present-day democratic politics. . . . Their orientation toward the future causes the Communists to think not in terms of desirable solutions for present-day living, but rather in terms of an endless accumulation of power for the Party.

It is a serious mistake for any Western policymaker to neglect these fundamental insights into the nature of Soviet policy toward the West.

Too often free societies view the Soviet or Communist Chinese systems as simply other governments and societies with some type of goals as their own. This is both false and dangerous. False because the Soviets as explained before have a completely different outlook toward existence than do free countries. And dangerous because the misreading of Soviet intentions lead to Western policies which do not meet the Communist threat.

At this point I include in the RECORD an article from Osteuropa entitled "Soviet Policy Toward Western Europe":

SOVIET POLICY TOWARDS WESTERN EUROPE

(By Gerhard Wettig)

The Soviet attitude to cultural exchange is inextricably linked with Soviet ideas about how countries belonging to the two power blocs in Europe are to coexist. The two levels of international coexistence and social struggle are strictly separated in both definition and practice. But closer examination reveals that one and the same policy operates on both levels and that the two sectors are only differentiated for reasons of convenience. Two separate methods of procedure have been adopted. They are based on the desire to avoid risks and the endeavour to maintain opportunities and, in the final reckoning, revolve around the same objectives.

Both theoretical statements about the sort of relations between "socialism" and "capitalism" and the Soviet Union's practical proposals at the European Security Conference reveal Moscow's desire to fix definite rules of procedure for the relationship between the two power blocs. Soviet propaganda stamps the defamatory cold war tag on all rival concepts which would lead to other rules of procedure in East-West relations. This incentive is also directed against ideas of understanding, reconciliation or rapprochement between the two camps. The Soviet side also makes use of the argument that any type of reciprocal relations which appears undesirable to the USSR is at variance with "reality". Soviet representatives have always stubbornly insisted, especially during negotiations, that the reality which is to serve as a point of departure can only lie within the framework of Soviet ideas. The logic behind this standpoint is that Soviet design, on the basis of Soviet power, decides what can become reality. It is up to the Atlantic and neutral States to bring into play their own design on the basis of their own power in order to determine the shaping of political reality and not leave the decision on the structure of East-West relations to the USSR alone.

When the Soviet side wishes to fix specific rules of procedure for its relationship with the West, this is meant to result in the establishment of specific conditions applying to the increasing process of exchange between the two camps—for material cooperation and for the political struggle along with resulting contacts and communication. The conditions aimed for are naturally adapted to Moscow's requirements and wishes. Among these requirements and wishes is the declared aim that the Western class enemy should be gradually outstripped and vanquished. It is therefore a question of establishing within the

East-West relationship conditions granting the USSR and its camp a maximum of advantages and opportunities and a minimum of disadvantages and risks in the clash with countries possessing different systems. The States of Western Europe in particular are to be impeded as far as possible from asserting themselves politically against the Soviet side.

The nature of the conditions the Soviet Union would like to see established reveals the decisive problems. The Soviet concept of coexistence only permits a peaceful relationship between States while a militant relationship must prevail between societies. It is the declared assumption of Soviet political leaders that concentrating the clash on the social level will involve a maximum of disadvantages and risks for the Western side. Unlike the area over which the Soviet Union enjoys hegemony, the Western nations do not possess organisations on the social level which would combine and mobilise economic, cultural and ideological potential under the aspect of the East-West struggle on the social level or even guarantee a coordinated articulation of interests toward a third party. The pluralistic structure of State and society in the West offers a large number of targets for specific coordinated influence and divisive efforts on the East's part. From the Soviet viewpoint, this is a decisive factor of weakness which will be fully exploitable in a period of coexistence and detente.

STRENGTH FACTOR

But the West's pluralistic structure can also contain a factor of strength. As Moscow too clearly recognises, the manifold opportunities of economic and intellectual development in Western nations exert a powerful attraction on people everywhere, not least in Eastern Europe. Even where Western "seduction" is not effective, the Russians see the danger of the basic confrontation between East and West fading and of tendencies developing within their own camp for the other side's case to be considered. Western State and social systems could meet more understanding and tolerance, it is thought. Once the elimination of capitalism is no longer the aim of humanity, communism's international historic mission would be betrayed. At the same time, if this ideology's claim to represent universal liberty were to cease, there would be doubts about the justification for a strict system of Soviet domination which negates the opportunities of man's economic and spiritual development in order to carry through an ideology expressed in absolute terms.

Soviet leaders seek to neutralise the attractiveness of the Western pluralism of ideas and the Western pluralist model by all peaceful and violent means. Military intervention in Czechoslovakia after this country embarked upon a course of reform communism and the Police State's repression of the Soviet dissidents are striking examples. State security forces have the responsibility of deciding the battle on the social level within the Soviet sphere of dominion or, if possible, not allowing it to break out in the first place. Action by social organisations—such as the coordinated ideological campaigns by communist party apparatuses in the Warsaw Pact States—have no more than an auxiliary function. The social struggle is therefore a State matter wherever State power is controlled by the Soviet leadership and its stalwarts.

RUSSIAN CHANGE OF HEART

That was clearly revealed in connection with the European Security Conference when the non-communist States began to call for a somewhat freer exchange of persons, information and ideas between East and West. At first the Soviet Union was unwilling to discuss even the possibility of any social opening, that is to say a reduction of the protective barriers erected by the

State in the East. Eventually the Soviet Union expressed its readiness to accept an item on the agenda to this effect but has since insisted with unerring consistency that the Eastern European States should be granted unlimited control over every detail of the exchange procedure, which is to be closely restricted, painstakingly directed and robbed of all political effect from them very outset. State coercion is to inhibit all movement in Eastern European society. At the same time however Moscow claims the right to assert its political influence on Western society without restriction. The Western States are to renounce unilaterally the use of force in the social struggle. As repeatedly stressed on the Soviet side, these conditions should lead to political changes being possible only in Western societies. There should only be a question therefore of the West conforming unilaterally to "socialist models".

The Soviet concept of coexistence promises peace, that is the elimination of hostility and violence, in the sphere of international relations. Relations between States belonging to the Soviet sphere of influence are however excluded from the very outset by the pointer to the commandments of "socialist internationalism," in particular the Brezhnev Doctrine. Any member of the "socialist community" which does not act in complete agreement with the Soviet leadership in both foreign and domestic policy must expect sanctions on the part of the USSR and its allies which may culminate in the use of armed force. Occasional Soviet statements about the struggle against "peaceful counter-revolution" within the Warsaw Pact sphere justifying the risk of military conflict with NATO also indicate a reservation as regards the renunciation of force in East-West relations. Finally, the theory that the principle of peaceful coexistence does not apply to relations between colonialists and colonised, justifies when necessary Soviet support of parties in civil or colonial wars in the Western world. In specific circumstances, military force can therefore be a means by which the Soviet leadership weakens Western States or groups of States.

SUICIDAL VENTURE

As long as there is reciprocal second-strike capability, the military balance of power between the two major powers makes direct conflict between them and their allies a "suicidal venture", as a Soviet writer recently stated. An armed East-West conflict bringing States into confrontation with one another as consolidated units and therefore providing the basic conditions for the possible use of nuclear capacities is therefore to be avoided. But that does not mean that Soviet military power no longer has any function in international relations. "Not even in a period of detente are the socialist States willing to dispense with a sober appraisal of the balance of power." "A realistic approach to the question of the power balance" is seen as "necessary security for firm and lasting peaceful coexistence".

The USSR and its allies cannot of course "gullibly place their trust in their opponents in the class struggle", in other words the Western countries. The Soviet leadership therefore continues its programme of nuclear and conventional rearmament, especially in sectors where the Russians are superior and the West is reducing its capability. As a result of these endeavours, a "balance of power favourable to socialism" has now developed, it is stated in Moscow. This verdict is based primarily on the state of affairs in Europe. According to Soviet theories, the Western States are forced by their relative weakness to agree to the Soviet Union's ideas more than in the past.

The military superiority achieved is considered and employed as a factor of political strength. It can therefore be understood why

the Soviet leadership, even though it is not considering military employment of its forces in the foreseeable future, is continuing to increase its armaments and opposes the fixing of a balanced military relationship between East and West. At the strategic arms limitation talks (Salt) the Soviet side is trying to maintain and expand the quantitative lead it was granted as a result of its one-time qualitative inferiority, even though it has now caught up technologically. During talks on a mutual and balanced reduction of forces (MBFR) the Soviet negotiators are trying to make their Western partners agree to an arrangement which would increase the East's qualitative superiority in Europe. The official argument states that the balance of power favouring the East should not be reversed. From the Soviet view-point only increasing military superiority on the part of the East provides a guarantee that opposing forces will be kept in check and its own aims achieved by peaceful means.

SOVIET PROPOSAL

The Soviet proposal for multilateral renunciation of the use of threat of force between States of different systems indicates that military strength is not to be made politically effective by means of unqualified coercion. But military strength can also help influence international relations in different fashion. A power which possesses the ability to exert irresistible force in a specific sector and at the same time reveals its desire to push through its objectives against inferior countries will not generally need to make any express threat to emphasise its wishes. Those countries which need to fear possible armed conflict will probably consider it the lesser evil to step down in time and as a precaution eliminate any factor that could result in the outbreak of hostilities. This situation could arise in relations between the USSR and the States of Western Europe if the Eastern bloc was able to increase its qualitative military superiority in Europe or if it found itself in a position of power without a counterbalance due to possible estrangement between Western Europe and the United States. In this case it would be more than probable that Western European governments would see themselves forced to conform more and more to Moscow's wishes even though they might not be expressly faced by threats of force.

The Soviet side is evidently aiming at a development of this type. Even today Moscow's propaganda towards the West occasionally employs military superiority as an argument why European countries outside the Warsaw Pact should agree with Soviet ideas. The Western Europeans in particular are called upon to abandon the concept of deterrence and the preservation of military balance and cease the "confrontation" resulting from the existence of the Atlantic Pact. Western attempts to offer military opposition to the USSR in Europe are hopeless from the very outset in view of Soviet strength, propagandists claim. At the same time this policy leads to risks of instability and war which are untenable for Western Europe. As a way out of this situation it is suggested that the countries of Europe should found their security on the Soviet Union's renunciation of force and promise to preserve peace as the Soviet Union is the only power with sufficient military means to keep such promises. This concept of a hegemonial security guarantee for Europe would be furthered if a system of European liaison were to institutionalise political relations to the USSR for the continent's Western-oriented countries.

This is the way the Soviet leadership would like its proposals on "European security" to be considered. The USSR's foreign policy experts have long claimed that a system of collective security must be established in Europe. A network of Pan-European structures would therefore be superimposed on the alliances and partnerships currently existing

on the West and gradually take over the security and economic functions of these Western groupings. Nato, the Western European Union and the European Community would therefore lose the basis of their existence. At the same time Moscow looks upon the Warsaw Pact organisation as an instrument that will increase in importance as the process of detente progresses. The Pan-European agency for security and cooperation aimed for by the Soviet side at the current European Security Conference would determine and strengthen Western Europe's reorientation to an alliance with the USSR.

MISLEADING BASIC ASSUMPTIONS

A system of collective security is a basically dubious method of preserving peace. According to the basic idea behind this scheme, any member State attacked would always be able to rely on the support of other members. Accordingly, any victim of an act of aggression should have an overwhelming majority of the powers and superior power on its side. Therefore, the argument runs, the possible aggressor could not hope for success and would consequently be deterred from using force from the very outset. That is the theory. In practice, it is quite different, as the League of Nations experience revealed. Two basic assumptions are revealed to be misleading on closer examination. In a case of crisis, it is not clear to everyone who the aggressor is nor are States committed to support the country attacked willing to sacrifice their own interests. If a State has more ties with the aggressor than the country attacked, it will at most remain neutral.

Even those countries which advocate support in principle will first of all calculate the risks of action. As the roles of attacker and attacked are not always obvious, or at least exposed to propagandist distortion, a violation of commitments entered into can always be represented as conforming to the agreement by stressing the right facts.

Additional problems arise if the scheme of collective security in Europe is to guarantee peace between East and West. Among the European States the Soviet Union would possess military superiority and this state of affairs would still remain if the other powers combined. In these circumstances the Soviet Union would automatically assume the role of a protector and hegemonial power over all of Europe, it would not need to make allowances for other States in its actions and would at the same time become the decisive power in cases of dispute arising in other sectors. In the case of conflicts between Western and Eastern countries, it would have to be assumed the criterion used in defining the aggressor would be based on the Russians' ideological theory that "socialist States" cannot be guilty of causing the outbreak of armed hostilities in view of their social structure. The existence of the "socialist community" as an active alliance strictly regimented by the USSR (and based ideologically on what has become known as the Brezhnev doctrine) rules out varying action on the part of Warsaw Pact States in case of conflict from the very beginning. But a system of collective security in Europe would tend to weaken and eventually end the USA's security commitment.

AIM OF SOVIET COEXISTENCE

The envisaged security system would be an ideal means of achieving the gradual transition from "capitalism" to "socialism" that is an aim of Soviet coexistence. This would create a state of affairs on the European continent which would only allow the USSR and its allies to use military force in the pursuance of its aims. As a result, the Western nations of Europe would depend on Soviet goodwill and would therefore have to accept unreservedly Soviet conditions for the social struggle between East and West. The already existing one-sidedness of success prospects on both sides—the largely riskless chances of

intervention on the one side and hopeless defence risks on the other—could then be perfected and guaranteed.

One of the demands raised by the East in connection with the European Security Conference indicates the course that would be taken. Western governments, it is stated, should no longer use the excuse of Western freedom of opinion to shirk their responsibility for ensuring that the only influence emanating from their countries are in accordance with peace and morality. In other words, Western governments are expected to exercise censorship in their societies with the aim of preserving the States of the Soviet camp from the Western influences which are undesirable to the drafters of Soviet policy. In the event of Soviet hegemony over Western Europe it could be forecast without difficulty that Western governments would be requested to ensure that Eastern Europe was shielded against Western ideology and that pro-Soviet communist forces in Western societies should be guaranteed ideal operating conditions.

It is probably no coincidence that Soviet statements always contain reminders that "peaceful coexistence" and the rules of procedure governing this will have to be "imposed" on imperialism. Finally, the representatives of the Western system will be forced to accept the prospect of increasing suppression without being able to take countermeasures.

SOVIET POWER OPPORTUNITIES

The extent to which these Soviet ideas of "peaceful coexistence" materialise depend on the opportunities the state and the conduct of Western groupings offer the spread of Soviet power. The Soviet leadership is completely aware of this fact. It is always seeking to derive the maximum of advantage but is also willing to accept more balanced arrangements when the aim in sight has proved unattainable after long and stubborn efforts. Admittedly, the current crisis in the Atlantic alliance, Western European integration, Western self-assertion and democratic liberal awareness does not make Soviet modesty appear appropriate. Moscow therefore believes that there are good prospects for a programme of coexistence demanding from Western countries an unreserved social opening for enemy attacks, a far-reaching dismantling of instruments of military power and general confidence in the peaceful and harmless nature of Soviet policy, while prescribing for the Warsaw Pact countries strict measures to ward off Western influence, continuing consolidation of their military positions in Europe and a complete prevention of "misplaced confidence" in the West.

Current Soviet arguments skillfully take advantage of the West's weaknesses. Significantly, the theory of possible military inferiority on the Eastern side with which certain groups like to play down conceivable dangers from the East and encourage unilateral Western disarmament is not accepted. The existence of a large Soviet military force is not to be supplanted from the minds of the Western public in case the USSR's political proposals lose some of their weight. Instead, as Michail Voslenski recently wrote, Western deliberations must be based on the premise that Soviet military power is "not a threat to other countries but a factor in the preservation of peace". In other words, military superiority is not to be considered as alarming when it is in Soviet hands. Western Europe is to base its future security on this assurance. Michail Voslenski interprets signs of political disorientation in Western societies as proof that "this realisation" is beginning to be accepted in the West as well. It cannot be deemed possible, he adds rhetorically, that the Western Europeans were more worked up about bans on Sunday driving than the growing precariousness of the security situation, if there was such a thing. "What rational human being would consider

such a schizophrenic attitude of whole nations and States to be possible!" No—Western conduct could only be interpreted as evidence of "confidence in the peaceful intentions of the USSR." At the same time this is meant to display irrefutably the harmlessness of Soviet policy.

MILITANT NATURE OF RELATIONS

But Soviet commentators and politicians consider it quite certain that relations with the West will also have to be of a militant nature even if the conflict has to be restrained in certain aspects because of the risks existing and the USSR displays great interest in many of the West's economic and technological achievements.

During all practical cooperation resulting from Soviet needs, the Eastern camp's relationship with the West must therefore be determined by the awareness of an insurmountable antithesis and unrelenting militancy if "socialism" is not to give itself up. A large number of institutions deriving the justification for their existence from ideology are continually converting this ideological maxim into political action. Whenever Soviet interests demand measures of cooperation or a pragmatic renunciation of confrontation, these ideological tribunals have to subject this action to strict examination of the possible effects of this collaboration. The practical conditions and theoretical interpretation set out serve the aim of giving collaboration with representatives of the West the function of purely pragmatic conduct without any indication of partnership. The ideological and institutional structures of the Soviet camp aim at neutralising the politically psychological effect that could result from detente and cooperation between East and West so that the guiding light of militancy against the West can be upheld uncontested under conditions involving a renunciation of Cold War.

ELIMINATION OF WESTERN SYSTEM

The idea that the Western countries' system must be eliminated is an important determining factor in Moscow's long-term political considerations. This gives rise in particular to moral justification of a code of conduct which uninhibited pursues the East's own advantage and aims relentlessly at the elimination of other power blocs. As the East's own aims of dominion are coupled with its claim to ideological supremacy, the clash with the West appears as a bitter "struggle" or even "war", and never as "rivalry". In other words, the East is unwilling to recognize any rules which would grant the opponent a rise to advantages and opportunities and accordingly tend to restrict its own freedom of manoeuvre. It is more a question of refusing the other side as many advantages and opportunities as possible and at the same time warding off all risks and disadvantages which threaten one's own side. The more onesidedly the rules of battle favour one's own camp the better. An attitude of this type does not necessarily exclude the use of force. After all, it would appear to favour the opponent unjustifiably if the East were not to seize the certain chance resulting from the use of arms in a specific situation. Soviet adherence to a basically anti-Western attitude is therefore no basis for coexistence that would really be peaceful.

Coexistence between East and West is still burdened by political tension and the risk of the direct or indirect use of force. The factors inhibiting the use of military force result from the situation and not from a basic desire for peace. There is therefore only a guarantee of continued peace and detente if both sides continue to possess the political and military arsenals to convince the other side of the impracticability of uninhibited force as a means of resolving conflicts and if sufficiently balanced conditions of political confrontation within the societies arise so that the Soviet leadership no longer derives any advantage from its

militancy and in the longer term displays interest in an East-West relationship based on tolerance and understanding.

THE FEMALE EQUATION

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mrs. MINK. Mr. Speaker, I would like to call to the attention of the Members the following excellent article which appeared in the November issue of the American Education magazine written by Kathryn G. Heath who is Assistant for Special Studies in the U.S. Office of Education:

THE FEMALE EQUATION (By Kathryn G. Heath)

Sixteen years before *A Vindication of the Rights of Woman* by Mary Wollstonecraft was published in England, a Colonial woman on the other side of the Atlantic wrote a prophetic letter to a delegate to the Continental Congress in Philadelphia. The date was March 31, 1776—midway between the New Year's Day publication of Thomas Paine's *Common Sense* and the signing of the Declaration of Independence.

The author of the letter was Abigail Adams, wife of one future President and mother of another, who had learned to read and write without benefit of the formal schooling usually reserved for her peers of the opposite sex. Its recipient was her husband, whom she admonished:

"... in the new Code of Laws which I suppose it will be necessary for you to make I desire you would Remember the Ladies, and be more generous and favourable to them than your ancestors. ... If particular care and attention is not paid to the Ladies we are determined to foment a Rebellion, and will not hold ourselves bound by any Laws in which we have no voice or Representation."

A century later, however, and for almost a century after that, educational opportunities as well as laws remained considerably less than "generous and favourable" as far as "the Ladies" were concerned. Even so, there were some indications along the way that men might be forced one day to face the female equation.

An early sign arose in 1819 when Emma Willard issued *An Address to the Public; Particularly to the Members of the Legislature of New York Proposing a Plan for Improving Female Education*. A Magna Carta for the higher schooling of women, the plan called for public endowment of an institution that would offer systematized instruction having educational substance. The legislature proved apathetic but the citizens of the town of Troy came to her aid, and the Troy Female Seminary she founded in 1821 led to others. For example, Catharine Beecher, an early advocate of domestic science, opened a school in Hartford in 1822 and later the Western Female Institute in Cincinnati. An activist in what she termed "securing professional advantages of education for my sex equal to those bestowed on men," she sought to arouse the public to endow still other institutions for the liberal education of women.

In 1882, a different approach to the encouragement of female education began to unfold. Sarah Josepha Buell Hale, a writer who had been tutored by her Dartmouth brother, began to publish the new *Ladies Magazine*. Two years later Louis A. Godey started *The Lady's Book*, and in 1837—a landmark year as it developed—bought out his competitor and ensconced Mrs. Hale as literary editor. Her work quickly gained a national reputation for Godey. One of her

never-ending purposes and certainly her favorite reform effort was the education of females to become more than hearthside hostesses. Step by step through the years she campaigned for high schools for girls, promoted the idea of normal schools and colleges for women, even outrageously urged medical education for women at a time when such training was regarded as plainly inappropriate for "delicate souls." The conclusion of her editorial career of nearly a half a century marked the beginning of the upsurge in higher education opportunities for women throughout the land.

Far-reaching events other than the influence of *The Lady's Book* made 1837 a historic year for women. That was the year for realization of the dream and crystallization of the career of Mary Lyon, who wanted young women to have the chance to attend a seminary of superior academic quality at an inferior price. Against almost interminable discouragements, she raised funds through private philanthropy for a distinguished institution that offered its first instruction in 1837 and, in time, became Mount Holyoke College. That year also saw the inauguration of co-education at the college level, and three of the first four women for the four-year course received their B.A. degrees in 1841 from Oberlin Collegiate Institute.

Their matriculation proved, however, to be something less than a recognition of the principle of equality of educational opportunity for the two sexes, for they were barred from the study of Greek or Latin on the ground that the "rigors of these languages" were too great for the "female mind." Moreover, a gross disparity in timing was involved. The decision to establish the institution soon known as Harvard College was made in 1636, and the first class of "English and Indian youth"—meaning males—was admitted two years later. By contrast, 199 years were to pass before the first door was opened to baccalaureate degrees for women. And for that matter, it took another half century before Harvard's coordinate sister, Radcliffe College, offered instruction resulting in conferral (in 1894) of the first baccalaureate degree on a "Cliffie."

In any case, the early decades of the 19th century did at least see the first steps toward introducing women to organized secondary and postsecondary education, tentative though that introduction may have been. In addition, an alternative to privately financed education for women also had begun to emerge. A State law enacted in 1827 required towns of a certain size in Massachusetts to employ a master to offer "instruction of utility" to young lads, and towns of a larger size to broaden that instruction to include such subjects as Greek and Latin. To get their money's worth, these towns sometimes allowed girls to fill empty places in the classes. A more subtle but in the long run more significant development also occurred in Massachusetts in the form of laws enacted between 1827 and 1834 that required tax support for public schools and declared them free to pupils.

Ultimately this concept of universal tax-supported schooling was to give a dramatic new dimension to the principle of equality set forth in the Declaration of Independence, but that time was not at hand in 1840. Witness the Sixth Decennial Census conducted that year. At the instigation of Henry Barnard of Connecticut (later to be the first U.S. Commissioner of Education), statistics about schooling were included for the first time. Women, however, like blacks and Indians, were not considered in the enumeration of citizens over the age of 20 who could neither read nor write.

Similarly, women abolitionists were excluded from delegate participation in a World Anti-Slavery Convention held in London in 1841, even when they represented

antislavery groups composed entirely of females. For two of the women thus excluded, that action was the last straw. Said Elizabeth Cady Stanton to her friend Lucretia Mott. "When we return home, we must hold a convention and form a society to advance the rights of women." The result was the first women's rights conference the Nation had ever seen, convened in 1848 at Seneca Falls, New York.

And so it was that three quarters of a century after Abigail Adams made her prediction, the rebellion surfaced. The history of mankind, the delegates declared in their overriding "sentiment," is "a history of repeated injuries and usurpations on the part of man toward woman, having in direct object the establishment of an absolute tyranny over her." Butressing this "sentiment" were 15 "facts" which they submitted "to a candid world." The one on education declared: "He had denied her the facilities for obtaining a thorough education, all colleges being closed to her." This statement was almost but not quite true. College doors already had opened to women, but by so small a crack that the 300 men and women at the Seneca Falls Conference evidently had not yet noticed it.

In any case the Abigail Adams rebellion had been launched, though numerous other developments proved to be necessary before it achieved substance or even significant recognition.

One such development occurred in 1862 while the Nation's Civil War was raging. President Lincoln signed the Morrill Act as the first of a series of Federal laws providing grants of land and other support for establishment and maintenance of what became known as the "Land-Grant" institutions of higher learning. None of these laws contained provisions specifically discriminating against females. Nevertheless, initial practice in the States often barred women from admission, and even after that situation began to be eased they were either excluded or else denied anything approaching equal access to programs in certain fields—forestry, law, and medicine, for example—on grounds that these were not "women's fields" or that women would not put into productive use the expensive training involved.

Still, the Land-Grant institutions did open up wider opportunities for women—not only in these institutions but in an array of private institutions of higher learning, including many women's colleges established primarily in the East. As Mary Woolley put it during her Mount Holyoke College presidency, the era of expansion from about 1875 until the first World War was marked "by an advance in the education of women such as the world has never seen." Moreover, with the incentive thus established to prepare more students for higher education, schools below collegiate level began to be created at an accelerated rate, and females were the incidental beneficiaries.

Meanwhile, the Civil War brought a fresh examination of Congressional power under the Constitution to "provide for the common Defense and general Welfare of the United States." There ensued a new exploration of the scope of power at Federal level and of those areas—education was one—involving concerns and issues that transcend State lines. One consequence was a memorial to the Congress resulting in legislation enacted March 2, 1867, and establishing what was to become the U.S. Office of Education. It was created, according to language in the law, to "aid the people of the United States in the establishment and maintenance of efficient school systems, and otherwise promote the cause of education throughout the country."

Henry Barnard, the first Commissioner of Education, immediately developed a Plan of Publication calling for a series of studies of what he saw as some of the major educational issues confronting the Nation. One was entitled "Female Education, with an account of different seminaries for females in

this country and in Europe." The subtitle was a telling clue to women's contemporary educational and employment status. Seminaries were at a lower level than colleges, and those seminaries open to women did not offer training in such "men's fields" as the ministry, law, medicine, agriculture, and the mechanical arts.

Shortly thereafter (in June of 1867) the Commissioner issued a Circular Respecting Female Education, seeking current information from leaders in education at home and abroad. Though the leaders were men, Commissioner Barnard's initiative was of no small moment to the women's rights movement. This particular request inaugurated the Federal practice of routinely collecting, analyzing, and disseminating data on the educational status of girls and women. It also established the foothold for Federal action in the evolution that was to make the national Government a partner, albeit an often reluctant one, in the rebellion Abigail Adams had foreseen and the Seneca Falls Conference had launched.

One such development occurred in 1909 with the convening of the first in a series of White House Conferences on Children and Youth. Out of that initial meeting came, in 1912, the establishment of the Children's Bureau, whose work in getting States to outlaw child labor served to supplement an Office of Education drive to encourage compulsory school attendance throughout the land, with girls again being incidental beneficiaries in both cases. Seven years later the Secretary of War, impressed by the contributions of local women's groups in meeting the Nation's needs in 1917-18, authorized some special funds to stimulate attendance at a conference held in St. Louis in 1919 which resulted in the founding of The National Federation of Business and Professional Women's Clubs. Indignant over the prevalent attitude that the education of girls was less important than that of boys, the Federation mounted as one of its early programs a nationwide campaign, carried out through State and local clubs with the cooperation of leaders in education, to encourage girls to stay in school beyond the eighth grade.

The following year, 1920, brought some landmark advances in the drive for women's rights, again with action at the Federal level. June 5 marked the establishment of the Women's Bureau in the Department of Labor, with responsibility for formulating standards and policies to promote the welfare of wage-earning women. Its early studies made official what women already knew: Regardless of how much education they had, they occupied the low rungs on the employment ladder. Then on August 26 came the addition to the Constitution of the 19th Amendment, enfranchising women nationwide—72 years after such action had been called for at the Seneca Falls Conference and 50 years after the antislavery 15th Amendment recognized the right to vote for "citizens of the United States" (a term that did not extend to females, as Susan B. Anthony demonstrated when she was arrested and convicted for trying to enter a polling booth in 1872).

Momentous though the 19th Amendment was, the celebration of that breakthrough was considerably dimmed by the fact that women as individuals still were excluded by the Supreme Court from coverage by the 14th Amendment, adopted in 1868 and prohibiting "persons" (interpreted as males) from being denied "due process of law" and "equal protection of the laws." A case in point was that of Myra Bradwell in 1872. Though she had duly been educated in law, an Illinois statute was used to deny her the right to practice. The United States Supreme Court upheld the State law and refused to apply the 14th Amendment in her case, though it did so in employment suits involving males, including alien men. It was, in fact, not until

1971, in *Reed v. Reed*, that the Court began to change its stance.

Winning the right to vote was nevertheless a major victory for women, but it was one of the last they were to claim at the national level until World War II. They continued, of course, to make progress on their own. Despite accumulating evidence that females were treated as second-class citizens by the schools and colleges, when war clouds broke over the horizon in 1939 the United States could claim the lion's share of the best educated women in the world. In the military and in civilian capacities ranging from Rosie the Riveter to entrepreneur, they won the Nation's respect. But not to the extent, as individual leaders and various women's groups insistently pointed out, that they were treated on an equitable basis with men. In education, for example, male faculty members received far higher salaries than their female counterparts, men overwhelmingly dominated the ranks of school administrators, countless women were snubbed by professional schools.

Winds of change finally began to blow with the establishment in 1961 of the President's Commission on the Status of Women and a followup drive by The National Federation of Business and Professional Women's Clubs to organize similar commissions at the State level, a move that ultimately resulted in formation of the Interstate Association of Commissions on the Status of Women. It was not until March of 1963, however, that the modern women's liberation movement was launched by the publication of *The Feminine Mystique*, a book that established Betty Friedan as the Thomas Paine of the rebellion Abigail Adams had called for nearly two centuries earlier.

This call to action was followed in October by American Women, the report of the President's Commission and the first effort to produce a composite picture of the status of women for purposes of national policymaking. The report called, for example, for a drastic revision of the structure of education so as to provide for "practicable and accessible opportunities, developed with regard to the needs of women, to complete elementary and secondary school and to continue education beyond high school . . ." Less than a month later President Kennedy established an Interdepartmental Committee and a Citizen's Advisory Council on the Status of Women, and not by coincidence Congress shortly thereafter authorized the Economic Opportunity Act of 1964 and for continuing education in the Higher Education Act of 1965.

Such advances were accompanied, however, by a noteworthy setback involving the Civil Rights Act of 1964. As women leaders were quick to point out, though this controversial legislation was strong in prohibiting discrimination in public education on the basis of race, color, religion, or national origin, it was silent on sex discrimination. Thus, they said, educational institutions could and did continue to discriminate against girls and women in admissions, the right to take particular courses, and opportunities for scholarships and fellowships. Moreover, women performing educational duties in educational institutions were exempted from coverage under the equal employment opportunity provisions of the law, thus affirming such existing practices as lower pay for women than for men, fewer opportunities for promotion, and poorer fringe benefits. These injuries were in turn compounded, the women felt, when the related Executive Order 11246—issued the next year—ignored sex discrimination under thousands of Federal contracts with schools and colleges and under federally assisted construction contracts.

Number 11246 was destined to become one of the more noted of the Executive Orders that are issued from time to time, for it attracted the particular attention of the various new activist groups that were coming

into being. One of these was the National Organization for Women, more familiarly known as NOW. Founded in October of 1966, NOW was the first of what soon became an array of vigorous organizations established to fight for women's rights, and its members promptly selected Executive Order 11246 as a primary target. Lobbying their case with the Department of Justice, the Civil Service Commission, the Citizens' Advisory Council on the Status of Women, and the White House itself, they were able just 12 months later to point with considerable satisfaction to Executive Order 11375, which amended its predecessor by adding a prohibition of discrimination by sex.

That was no small victory, for the revised Order was the first (and for a time the only) Federal mandate bearing on the situation. Although some observers initially may have seen this administrative fiat as little more than a palliative to some irate females, its potential was to be made clear by another of the new activist groups—the Women's Equity Action League (WEAL). Organized in November of 1968, WEAL jolted academe 14 months later by starting to file specific and class action charges against hundreds of institutions of higher learning in virtually every section of the Nation, accusing them of discrimination by sex and relying on the amended Order. In the following year, and again relying on the revised Order as its authority, came another sweeping attack, this time by the newly established Professional Women's Caucus, organized to cut across the professions and thus assure a spectrum of expertise in activities aimed at opening up educational and professional opportunities for girls and women. Charges by the Caucus were directed at all law schools having Federal contracts. In total, more than 2,500 accredited institutions of higher learning found themselves under class action charges.

Thus did the drive for women's rights gain momentum, leading to a number of additional advances at the Federal level. In mid-1970 the Department of Health, Education, and Welfare's Office of Civil Rights notified its regional directors that "investigations of sex discrimination must be a part of all compliance review, and . . . all affirmative action plans in the future must address themselves to overcoming matters of sex discrimination."

Meanwhile, encouraged by Republican Congresswomen, President Nixon in 1969 had appointed a Task Force on Women's Rights and Responsibilities. Out of the recommendations contained in its subsequent report—*A Matter of Simple Justice*—came such developments as the appointment of the first woman counselor to the President and the establishment of an Office of Women's Programs in the White House; extension of the jurisdiction of the Commission on Civil Rights to include sex discrimination; additions to equal pay provisions of the Fair Labor Standards Act of 1938 to cover executive, administrative, and professional employees, including teachers; and establishment of a Women's Program Staff in the Office of Education. Also sparked by the report were establishment of the Secretary's Advisory Committee on Women's Rights and Responsibilities and appointment of a task force in the Office of Education to examine and advise on the impact on women of programs administered by the Department as a whole and the Office of Education in particular.

By application of such administrative pressure, the women's rights movement was achieving change, but the pace was frustratingly glacial. It was time, the women's groups and their supporters determined, to renew their efforts along that most characteristically American route to redress of grievances—through legislation. Thus as the Nation entered its bicentennial decade, a concentrated drive was launched to achieve through new legislation the equity that the inertia of custom and tradition denied.

Among the landmark Federal legislation enacted thereafter was an amendment to

the Public Health Service Act adopted in November of 1971 which forced some 1,400 schools and training centers in medical and other health fields to open their doors as wide to women as to men—as a condition for further Federal financial assistance. Beyond its more visible impact, this legislative breakthrough brought home what was quickly recognized as a guiding principle. As Carnegie Corporation President Alan Pifer put it, "Without the threat of coercion it seems unlikely higher education would have budged an inch on this issue. Certainly it had every chance to do so and failed."

Then an organized lobbying blitzkrieg in the 92nd Congress by women's groups and their supporters proved successful—after 49 years of struggle—in winning endorsement by both houses of the Congress of a joint resolution proposing an Equal Rights Amendment to the Constitution. "Equality of rights under the law," it declares, "shall not be denied or abridged by the United States or by any State on account of sex." Final action on the resolution calling for the amendment, which now is in the hands of the States for the necessary 38 ratifications, came on March 22, 1972.

Two days later the Equal Employment Opportunity Act of 1972 broadened the purview of the Civil Rights Act of 1964 to include persons (a word that now at last includes women) employed by States and their political subdivisions and those employed in educational activities in private as well as public educational institutions.

Three months after that came the Education Amendments of 1972, a far-reaching act that included a legal blockbuster on behalf of girls and women. With specified exceptions, it declared, "No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance." Since the great majority of schools and colleges do in fact receive such assistance, and want to continue doing so, the recently proposed Federal regulations for carrying out this act charts a level of change not far from revolutionary.

From these major legislative advances—and from other legislative action that is filling in the gaps, from an array of court decisions and consent decrees, and from the vigorous campaign to win ratification of the Equal Rights Amendment—come the signs that the female equation will one day be brought into balance. That day may not be just around the corner. Nevertheless, as the Nation prepares to celebrate its 200th anniversary, it is reasonable to expect that the rebellion which Abigail Adams sought to foment in 1776—like the one her husband then was engaged in—will be crowned with success.

REBATES ON AIR FREIGHT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. DINGELL. Mr. Speaker, the amendment bans solicitation or acceptance of rebates by shippers of airfreight. At this time the giving thereof is illegal. But foreign-flag carriers with fair regularity offer financial incentives, rebates, and so forth, to American shippers.

Other statutes relating to other carriers on land and water now prohibit this practice, but CAB has no power to halt this practice, soliciting and accepting rebates by American suppliers.

The amendment I offer conforms the law relating to air carriers and air ship-

pers to the law now in effect as to other modes of transportation.

In effect, the amendment would add the provisions of H.R. 17047, introduced earlier by me, to the legislation before us.

Pursuant to permission granted, I insert into the Record a letter from the Civil Aeronautics Board in support of the provisions of H.R. 17047 and so the provisions of the amendment, which explains the need for, and the working of the amendment. The letter follows:

CIVIL AERONAUTICS BOARD,
Washington, D.C., December 13, 1974.
HON. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the Board's views on H.R. 17047, a bill "To amend the Federal Aviation Act of 1958 to prohibit the solicitation or acceptance of rebates by shippers of property in air transportation, and for other purposes."

Section 403(b) of the Federal Aviation Act (49 U.S.C. 1373(b)) prohibits air carriers and foreign air carriers from granting rebates, and carriers engaging in such practices are subject to criminal penalties under section 902(d) of the Act (49 U.S.C. 1472(d)).

H.R. 17047 would amend section 403(b) so as to prohibit shippers of property in air transportation and certain other specified persons from soliciting or accepting rebates. Persons violating the prohibitions would be subject to the section 902(d) penalties.

Rebating is a serious problem for a number of reasons. One is that it enables some shippers to obtain advantages that others do not enjoy. Another is that rebating can have material and detrimental effects on the financial health of the carriers, and ultimately on the air transportation system. The Congress itself has recognized the serious difficulties that rebating can cause by forbidding the carriers to engage in the practice and by imposing criminal penalties on them for violations.

Shippers of property by rail, motor and water carriers are made subject to penalties by various provisions of the Interstate Commerce Act (49 U.S.C. 1) and the Elkins Act (49 U.S.C. 41(3)) for soliciting or accepting rebates. In addition, shippers by ocean carriers are subject to penalties under the Shipping Act, 1916 (46 U.S.C. 815) for engaging in similar practices. The Board understands that inclusion of these statutory prohibitions has operated as a deterrent against shippers seeking rebates.

In view of the foregoing, the Board supports the enactment of H.R. 17047.

Sincerely,

ROBERT D. TIMM,
Chairman.

FARM BUREAU PRESIDENT WARNS
AGAINST NEW GOVERNMENT BUREAUCRACY, BLASTS OSHA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1974

Mr. ASHBROOK. Mr. Speaker, I was very impressed with a recent speech by William Kuhfuss, president of the American Farm Bureau Federation. In an address to the National Association of Independent Insurers, Kuhfuss warned that the creation of new Government bureaucracies such as the Consumer Protection Agency could result in new highs in the cost of living. Kuhfuss stated:

Every new government agency swells the already bloated federal payrolls, puts a new burden on the taxpayer, and adds to the cost of doing business. These increased business costs are passed on to the consumer in higher prices.

Kuhfuss also had strong criticism for one bureaucracy that is already in existence—the Occupational Safety and Health Administration—OSHA. He pointed out that some OSHA regulations demonstrate a lack of practical knowledge of farming operations. Although OSHA regulations waste many hours, they achieve little in safety. Kuhfuss went on to say:

Farmer, who constitute only 4.4 percent of the U.S. population, have had an almost impossible job in challenging some of OSHA's unrealistic regulations which have handicapped agricultural producers in meeting record food needs. Farmers and ranchers have taken many hours from their production jobs to appear at OSHA public hearings. Proposed regulations on some mandatory safety requirements on farm machinery, for example, reveal considerable lack of knowledge of the practical applications involved in farm operations. Of equal importance is the waste of time, manpower, and resources in relation to the achievement of increased safety.

I agree wholeheartedly with Kuhfuss' sentiments. I had doubts about OSHA when it was first proposed and I voted against its final passage in the House.

My doubts have certainly been confirmed. Farmers and businessmen are being forced to comply with more and more OSHA regulations—regulations that are difficult and costly to meet.

It is time that Congress moved to cut bureaucratic redtape. Rather than creating additional Government bureaucracies, Congress should thoroughly review the ones that are already in existence.

Following is an article on Kuhfuss' speech from the November 25 edition of the Farm Bureau News:

KUHFUSS WARNS—LEGISLATIVE PROPOSALS FOR NEW CONGRESS COULD CAUSE NEW HIGHS IN LIVING COSTS

The cost of living could climb to new highs under federal legislation scheduled to be introduced in the 1975 session of Congress, a national farm leader warns.

The warning came from William J. Kuhfuss, president of the American Farm Bureau Federation, in an address to the 29th annual meeting of the National Association of Independent Insurers.

"Consumers should be alert to legislation which would establish a new super government bureaucracy to be imposed on top of

all existing federal agencies, intervening in all regulatory activities of each agency, saddling business with new red tape, and adding to the cost of their operations," Kuhfuss said.

"Every new government agency swells the already bloated federal payrolls, puts a new burden on the taxpayer, and adds to the cost of doing business. These increased business costs are passed on to the consumer in higher prices."

Kuhfuss said that the legislation set for introduction in the 1975 Congress calls for the establishment of a Consumer Protection Agency. Such a bill was killed September 19 in the Senate with Senator Sam Ervin of North Carolina leading the opposition. Senator Ervin's retirement places Senator Abraham Ribicoff of Connecticut as chairman of the Senate's Government Operations Committee. Senator Ribicoff was the author of the original Consumer Protection Agency bill.

"Some might think that Farm Bureau is not interested in consumer legislation because farmers are not thought of as consumers. This is a common misunderstanding. Modern farm families are not only consumers of food, housing, clothing, and other goods and services necessary for family living, but they are also major consumers of industrial products used in farm production. Farmers buy one-fourth of all the trucks produced in America, 10 percent of the U.S. petroleum output, and five percent of the nation's steel products.

"Farm Bureau believes that government standards of quality, safety, health, and labeling have an important role in protecting consumers and we already have a wide range of more than 45 federal regulatory agencies operating in this and other areas of public concern.

"Such a list, to name a few, would include the Food and Drug Administration, Federal Trade Commission, Interstate Commerce Commission, Federal Power Commission, Securities and Exchange Commission, Commodity Futures Trading Commission, Packers and Stockyards Administration, Federal Communications Commission, and many others. To keep up with all federal regulations and proposals, the government issues a Federal Register almost daily that sometimes runs to 100 pages and requires a team of lawyers to interpret.

"If these agencies are not doing a job for consumers, as some proponents of the Consumer Agency legislation contend, it is hardly likely that creation of another 'super agency' will be of much practical value except to provide more government jobs and more income for lawyers.

"It is difficult to estimate how much proliferation of new regulatory agencies—such as the Environmental Protection Agency and the Occupational Safety and Health Administration—has slowed the U.S. economy, both industrial and agricultural,

and has added to the cost of everything from cars to food. The top example of the inconvenience and increased cost imposed on the driving public was the ignition interlock safety belts on cars. Congress exhibited good common sense in revoking this regulation because of the united and militant resistance to 'Big Brother' dictation. But how many other orders arbitrarily imposed on consumers can gain sufficient support to achieve revocation?

"Farmers, who constitute only 4.4 percent of the U.S. population, have had an almost impossible job in challenging some of OSHA's unrealistic regulations which have handicapped agricultural producers in meeting record food needs. Farmers and ranchers have taken many hours from their production jobs to appear at OSHA public hearings. Proposed regulations on some mandatory safety requirements on farm machinery, for example, reveal considerable lack of knowledge of the practical applications involved in farm operations. Of equal importance is the waste of time, manpower, and resources in relation to the achievement of increased safety.

"Agricultural producers know from experience the tremendous cost of government bureaucracy. For some 40 years, farmers and ranchers were subject to the self-defeating controls of a federal farm program that put a ceiling on market prices and opportunities and cost taxpayers billions of dollars. Today, agricultural producers are relatively free of such controls only to discover new problems created by federal regulatory agencies," Kuhfuss said.

The farm leader said he favored the proposed study by the Administration of the inflationary effects of the federal regulatory agency operations such as Interstate Commerce Commission regulations on transportation.

"There is merit in such a study and I would hope it is started as soon as possible. At the same time I would hope that the new Congress will cooperate in cutting government spending and balancing the budget," Kuhfuss said.

On no-fault insurance legislation, Kuhfuss reported that Farm Bureau favors the continuation of state, as opposed to federal, regulation of the automobile insurance industry.

"In AFBF's statement this past July before the House Interior Subcommittee on Commerce and Finance, it was made clear that Farm Bureau does not oppose the concept of no-fault," Kuhfuss said.

Discussing the availability of adequate crop insurance to farmers and ranchers, Kuhfuss said that the Farm Bureau has recommended that the federal crop insurance be converted to a reinsurance program.

"Our policy states that such a program be sound actuarially, and premiums should be adequate to include reasonable charges for administrative expense.

SENATE—Monday, December 16, 1974

The Senate met at 10 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, as we undertake the tasks of a new week, we beseech Thee to support us in all wise endeavors for this Nation. Give us the courage to

change the things that can be changed, the serenity to accept the things that cannot be changed and the wisdom to know the difference.

While we toil through Advent days, may we be star-led to the ancient stable and the manger where truth became incarnate. May we follow the example of the wise men of old and hear again the timeless refrain: "The government shall be upon His shoulder: and His name shall be called Wonderful, Counselor,

the Mighty God, the Everlasting Father, the Prince of Peace." Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, December 14, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.